

AMENDED IN SENATE MAY 28, 2013
AMENDED IN SENATE APRIL 16, 2013
AMENDED IN SENATE APRIL 3, 2013
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~~, 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, 8231, 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, 8341, 8341.5, 8342, 8343, 8344, 8350, 8352, 8353, 8354, 8355, 8356, 8357, 8358, 8358.5, 8359.1, 8360, 8360.2, 8390, 8392, 8394, 8395, 8397, 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 15.3 (commencing with Section 8340), Article 15.5 (commencing with Section 8350), Article 16 (commencing with Section 8360), and Article 17 (commencing with Section 8390) 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 Section 8240 of, to add Sections ~~8202.1, 8220.3, 8220.3 and 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 ~~establish as its purpose providing a comprehensive early learning and school support system that promotes access to safe, high-quality early learning and educational support programs, as specified. The bill would require the Superintendent to administer the early learning and educational support program through services that include direct classroom or alternative payment services, 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, educators who foster school readiness, healthy development, and improved child outcomes, who possess the appropriate and required educational qualifications and experience, including credentials or permits, as required by the Commission on Teacher Credentialing, and who meet applicable licensing standards~~ *program activities and services that meet the needs of children with exceptional needs and diverse abilities*. The bill would require the State Department of Education to develop and certify a list of high-quality early learning and educational support resources and to post the list on the department's Internet Web site, and would also 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 early learning and school~~
16 ~~support system that promotes access to safe, high-quality early~~
17 ~~learning and educational support programs that will promote and~~
18 ~~support the development of the whole child, including, but not~~
19 ~~limited to, the following:~~

20 ~~(1) Developmentally appropriate curriculum with differentiated~~
21 ~~instruction.~~

22 ~~(2) Knowledgeable, caring, and well-trained educators, program~~
23 ~~staff, and providers.~~

24 ~~(3) Promotion of healthy practices and activities.~~

25 ~~(4) An educationally enriched environment that respects and~~
26 ~~supports cultural, linguistic, and ability diversity.~~

27 ~~(b) To encourage community-level coordination in support of~~
28 ~~early learning and educational support services.~~

29 ~~(c) To coordinate services for children, starting at birth, that~~
30 ~~support parental choice and maximize the long-term success of~~
31 ~~early learners.~~

32 ~~(d) To promote positive parenting, parental choice, and~~
33 ~~involvement through the understanding of healthy development~~
34 ~~and the importance of high-quality early learning opportunities~~
35 ~~for school readiness.~~

1 ~~(e) To support the development of the ability to measure~~
2 ~~outcomes assessing early learning and educational support~~
3 ~~programs.~~

4 ~~(f) To establish a framework for the expansion of early learning~~
5 ~~and educational support services for children starting at birth.~~

6 ~~SEC. 4. Section 8202 of the Education Code is amended to~~
7 ~~read:~~

8 ~~8202. To ensure that all children, starting at birth, in California~~
9 ~~have equal access to high-quality early learning and educational~~
10 ~~support programs so that they thrive in their early learning settings~~
11 ~~and succeed in entering transitional kindergarten or kindergarten~~
12 ~~and throughout their school education and adult life, it is the intent~~
13 ~~of the Legislature that:~~

14 ~~(a) All families have access to safe, high-quality early learning~~
15 ~~and educational support services that support the development of~~
16 ~~the whole child, including healthy physical, cognitive, social, and~~
17 ~~emotional growth and development of children regardless of ethnic~~
18 ~~status, cultural background, or special needs.~~

19 ~~(b) Subsidized early learning and educational support services~~
20 ~~be provided to persons meeting the eligibility criteria established~~
21 ~~under this chapter to the extent funding is made available by the~~
22 ~~Legislature and Congress.~~

23 ~~(c) Community-level coordination between early learning and~~
24 ~~educational support programs and other human services~~
25 ~~organizations be encouraged.~~

26 ~~(d) Parental choice, parenting education, and information all be~~
27 ~~components of a long-term successful early learning and~~
28 ~~educational support system.~~

29 ~~(e) Parents and families be fully informed of their rights and~~
30 ~~responsibilities to select safe and high-quality early learning and~~
31 ~~educational support programs.~~

32 ~~(f) Planning for expansion of direct classroom services be based~~
33 ~~on ongoing local needs assessments and targeted to programs~~
34 ~~operating classrooms located in the attendance area of elementary~~
35 ~~schools ranked in deciles 1 to 3, inclusive, of the Academic~~
36 ~~Performance Index pursuant to Section 52056.~~

37 ~~(g) Families achieve and maintain their personal, social,~~
38 ~~economic, and emotional stability through an opportunity to attain~~
39 ~~financial stability through employment and work support activities,~~
40 ~~while maximizing the growth and development of their children,~~

1 and supporting parental participation in the educational
2 development and success of their children.

3 (h) Early learning and educational support staff be culturally
4 and linguistically diverse and support school readiness, healthy
5 development, and improved child outcomes.

6 (i) Sustained support of professional development and
7 preparation of early learning educators and professionals include,
8 but not be limited to, the following:

9 (1) Academic support.

10 (2) Higher education articulation.

11 (3) Career advancement.

12 (4) Evidence-based coaching and mentoring.

13 (5) Child-teacher interactions.

14 (6) Child-centered, family-educator, and family-professional
15 interactions.

16 (7) Training on research-based tools and resources aligned to
17 California preschool learning foundations, frameworks, and
18 guidelines, and California early childhood educator competencies.

19 (8) Retention of high-quality educators.

20 (9) Adequate compensation and incentives for professional
21 growth.

22 (10) Strong leadership and management practices.

23 (j) The Superintendent coordinate with the California Children
24 and Families Commission, county children and families
25 commissions, and other federal, state, and local agencies to support
26 improved alignment and access, including, but not limited to:
27 support services, quality enhancements, and additional training
28 and resources in early learning and educational support programs
29 and staff.

30 (k) The department create, administer, and support a
31 comprehensive early learning and educational support infrastructure
32 that promotes and fosters school readiness, healthy development,
33 and improved child outcomes.

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

39 (1) Programs located in centers, family day care homes, or in
40 license-exempt care.

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

4 ~~(3) Early learning and educational support services provided~~
5 ~~for infants and toddlers, preschool, and schoolage children.~~

6 ~~(m) The Superintendent be responsible for the establishment of~~
7 ~~a public hearing process or other public input process that ensures~~
8 ~~the participation of those agencies directly affected by a particular~~
9 ~~section or sections of this chapter.~~

10 ~~(n) The department consolidate contracts for agencies providing~~
11 ~~direct classroom programs into a single contract in order to ease~~
12 ~~administration, to reduce reporting and auditing requirements, and~~
13 ~~to ensure that special populations continue to receive services and~~
14 ~~support.~~

15 ~~(o) The department administer the alternative payment and~~
16 ~~CalWORKs Stage 2 and 3 programs in order to maximize and~~
17 ~~support parental choice in educator, professional, or caregiver~~
18 ~~selection.~~

19 ~~(p) The department review existing resources and opportunities~~
20 ~~for consumer education in order to expose parents to a variety of~~
21 ~~strategies and learning opportunities to support caregiver choices.~~
22 ~~These resources should include information on all of the following:~~

23 ~~(1) The options that are available.~~

24 ~~(2) The benefits of each option.~~

25 ~~(3) The educational and socioemotional development of~~
26 ~~expectations of children at various ages.~~

27 ~~(q) The department review a variety of existing requirements~~
28 ~~in order to consider alternatives that reduce administrative burden~~
29 ~~and cost and streamline program administration.~~

30 ~~(r) As additional funding becomes available, the department~~
31 ~~review options to implement a statewide quality rating and~~
32 ~~improvement system to obtain data on the success of California's~~
33 ~~early learning and educational support programs, including program~~
34 ~~quality improvements and early educator and child outcomes.~~

35 ~~SEC. 5. Section 8202.1 is added to the Education Code, to~~
36 ~~read:~~

37 ~~8202.1. The Legislature recognizes the importance of a~~
38 ~~culturally and linguistically diverse early educator workforce in~~
39 ~~our early learning and educational support programs to support~~
40 ~~school readiness and improved child outcomes. Sustained support~~

1 of the professional development and preparation of educators and
2 professionals in the field of early learning and educational support
3 services includes, but is not limited to, the following:

- 4 (a) ~~Academic support.~~
- 5 (b) ~~Higher education articulation.~~
- 6 (c) ~~A career ladder with periodic updates.~~
- 7 (d) ~~Evidence-based coaching and mentoring.~~
- 8 (e) ~~Child-teacher interaction.~~
- 9 (f) ~~Training on research-based tools and resources aligned to~~
10 ~~California preschool learning foundations, frameworks, and~~
11 ~~guidelines, and California early childhood educator competencies.~~
- 12 (g) ~~Retention of high-quality educators.~~
- 13 (h) ~~Adequate compensation and incentives for professional~~
14 ~~growth.~~
- 15 (i) ~~Efficient program administration.~~

16 SEC. 6. Section 8203 of the Education Code is amended to
17 read:

18 8203. (a) ~~The Superintendent shall develop standards for the~~
19 ~~implementation of high-quality early learning and educational~~
20 ~~support programs. Indicators of quality shall include, but not be~~
21 ~~limited to:~~

- 22 (1) ~~A physical environment that is safe and appropriate to the~~
23 ~~ages and developmental needs of the children and that meets~~
24 ~~applicable licensing standards.~~
- 25 (2) ~~Program activities and services that are age appropriate and~~
26 ~~meet the developmental needs of each child, and utilize the~~
27 ~~California preschool learning foundations, frameworks, and~~
28 ~~guidelines, and California early childhood educator competencies.~~
- 29 (3) ~~Program activities and services that meet the cultural and~~
30 ~~linguistic needs of children and families.~~
- 31 (4) ~~Family and community engagement.~~
- 32 (5) ~~Parent education.~~
- 33 (6) ~~Efficient and effective local program administration.~~
- 34 (7) ~~Educators who:~~
 - 35 (A) ~~Foster school readiness, healthy development, and improved~~
36 ~~child outcomes.~~
 - 37 (B) ~~Are culturally and linguistically diverse and reflect the~~
38 ~~makeup of children and families in the program.~~
 - 39 (C) ~~Possess the appropriate and required educational~~
40 ~~qualifications and experience, including credentials or permits, as~~

- 1 specified by the Commission on Teacher Credentialing and who
2 meet applicable licensing standards.
- 3 ~~(D) Meet children’s instructional and developmental needs.~~
4 ~~(E) Provide positive teacher-child interactions.~~
- 5 ~~(8) Program activities and services meet the needs of children
6 with exceptional needs and diverse abilities, and their families.~~
- 7 ~~(9) Support services for children, families, and early learning
8 educators.~~
- 9 ~~(10) Resource and referral services.~~
10 ~~(11) Alternative payment services.~~
- 11 ~~(12) Provision for nutritional needs and physical activity of
12 children.~~
- 13 ~~(13) Social services that include, but are not limited to, child
14 abuse prevention, identification of child and family needs, and
15 referral to appropriate agencies.~~
- 16 ~~(14) Developmental and health services, as defined in Section
17 8208, that include referral of children to appropriate agencies for
18 services.~~
- 19 ~~(b) The department shall develop and certify a list of
20 high-quality early learning and educational support resources to
21 demonstrate high-quality options available to parents. The list of
22 certified resources shall be posted and maintained on the
23 department’s Internet Web site and shall be made available to both
24 resource and referral programs and alternative payment programs.~~
- 25 *SEC. 3. Section 8203 of the Education Code is amended to*
26 *read:*
- 27 8203. The Superintendent of Public Instruction shall develop
28 standards for the implementation of ~~quality~~ *high-quality early*
29 *learning and educational support* programs. Indicators of quality
30 shall include, but not be limited to:
- 31 (a) A physical environment that is safe and appropriate to the
32 ages *and developmental needs* of the children and that meets
33 applicable licensing standards.
- 34 (b) Program activities and services that are age appropriate and
35 meet the developmental needs of each child.
- 36 (c) Program activities and services that meet the cultural and
37 linguistic needs of children and families.
- 38 (d) Family and community ~~involvement~~ *engagement*.
- 39 (e) Parent education.
- 40 (f) Efficient and effective local program administration.

1 (g) Staff that possesses the appropriate and required
2 qualifications or experience, or both. The appropriate staff
3 qualifications shall reflect the diverse linguistic and cultural
4 makeup of the children and families in the child care and
5 development program. The use of intergenerational staff shall be
6 encouraged.

7 (h) Program activities and services that meet the needs of
8 children with exceptional needs and *diverse abilities*, and their
9 families.

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

11 (j) Resource and referral services.

12 (k) Alternative payment services.

13 (l) Provision for nutritional needs of children.

14 (m) Social services that include, but are not limited to,
15 identification of child and family needs and referral to appropriate
16 agencies.

17 (n) ~~Health services~~ *Developmental and health services*, as
18 defined in Section 8208, that include referral of children to
19 appropriate agencies for services.

20 ~~SEC. 7.~~

21 *SEC. 4.* Section 8203.5 of the Education Code is amended to
22 read:

23 8203.5. (a) The Superintendent shall ensure that each contract
24 entered into under this chapter to provide early learning and
25 educational support services, or to facilitate the provision of those
26 services, promotes children's school readiness and subsequent
27 school success through the delivery of appropriate high-quality
28 educational services to the children served pursuant to the contract.

29 (b) The Superintendent shall ensure that all contracts for direct
30 classroom services programs include a requirement that each
31 provider maintain a developmental profile to appropriately identify
32 the emotional, social, physical, and cognitive growth of each child
33 served in order to promote the child's success in the public schools.
34 To the extent possible, the department shall provide a
35 developmental profile to all public and private providers using
36 existing profile instruments that are most cost efficient. The
37 provider of any program operated pursuant to a contract under
38 Section 8262 shall be responsible for maintaining developmental
39 profiles upon entry through exit from a direct classroom services
40 program.

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

3 ~~SEC. 8.~~

4 ~~SEC. 5.~~ Section 8204 of the Education Code is amended to
5 read:

6 8204. In recognition of the demonstrated relationship between
7 food and good nutrition and the capacity of children to develop
8 and learn, it is the policy of this state that no child shall be hungry
9 while in attendance in a child care and development facility as
10 defined in Section 8208 and that these facilities have an obligation
11 to provide for the nutritional needs of children in attendance.

12 ~~SEC. 9.~~ ~~Section 8205 of the Education Code is amended to~~
13 ~~read:~~

14 ~~8205. It is the intent of the Legislature that in providing early~~
15 ~~learning and educational support programs the Superintendent do~~
16 ~~the following:~~

17 ~~(a) Develop an early learning and educational support system~~
18 ~~that allows maximum parental choice by providing both direct~~
19 ~~classroom and alternative payment services.~~

20 ~~(b) Give priority to children of families that qualify under~~
21 ~~applicable federal statutes or regulations as recipients of public~~
22 ~~assistance and other low-income and disadvantaged families.~~
23 ~~Federal reimbursement shall be claimed for any child receiving~~
24 ~~services under this chapter for whom federal funds are available.~~

25 ~~SEC. 10.~~

26 ~~SEC. 6.~~ Section 8208 of the Education Code is amended to
27 read:

28 8208. As used in this chapter:

29 (a) “Alternative payments” includes payments that are made by
30 one child care agency to another agency or child care provider for
31 the provision of early learning and educational support services,
32 and payments that are made by an agency to a parent for the
33 parent’s purchase of early learning and educational support
34 services.

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

39 (c) “Applicant or contracting agency” means a school district,
40 community college district, college or university, county

1 superintendent of schools, county, city, public agency, private
2 nontax-exempt agency, private tax-exempt agency, or other entity
3 that is authorized to establish, maintain, or operate services
4 pursuant to this chapter. Private agencies and parent cooperatives,
5 duly licensed by law, shall receive the same consideration as any
6 other authorized entity with no loss of parental decisionmaking
7 prerogatives as consistent with the provisions of this chapter.

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

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

14 (2) For purposes of reimbursement to direct classroom services
15 programs, attendance includes excused absences of children
16 because of illness, quarantine, illness or quarantine of their parent,
17 family emergency, or to spend time with a parent or other relative
18 as required by a court of law or that is clearly in the best interest
19 of the child.

20 (3) For purposes of reimbursement to providers through an
21 alternative payment services program, attendance includes any of
22 the following:

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

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

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

29 (4) For purposes of reimbursement to providers through an
30 alternative payment services program, contractors shall not be
31 required to track absences.

32 (f) “Capital outlay” means the amount paid for the renovation
33 and repair of child care and development facilities to comply with
34 state and local health and safety standards, and the amount paid
35 for the state purchase of relocatable child care and development
36 facilities for lease to qualifying contracting agencies.

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

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

4 (i) “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 (j) “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 child 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 child 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 (k) “Closedown costs” means reimbursements for all approved
4 activities associated with the closing of operations at the end of
5 each growing season for migrant services only.

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

20 (m) “Developmental and health services” include, but are not
21 limited to, all of the following:

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

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

33 (3) Health education and training for children, parents, staff,
34 and providers.

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

37 (n) “Direct classroom programs” means early learning and
38 educational support programs that serve children from birth to 13
39 years of age, including, but not limited to, services for infants and

1 toddlers, preschool age children, schoolage children, and children
2 of migrant agricultural worker families.

3 (o) “Direct classroom services” means direct classroom
4 programs, family child care home education networks, and
5 programs that serve severely disabled children, that are
6 administered by the Superintendent pursuant to Article 5
7 (commencing with Section 8228).

8 (p) “Early learning and educational support programs” means
9 those programs that offer a full range of services designed to meet
10 a wide variety of needs of children, from birth to 13 years of age,
11 and their families. Services provided by an applicant or contracting
12 agency, may be for any part of the day that a parent is working, in
13 training, seeking employment, incapacitated, or in need of respite.
14 These services may include, but are not limited to, direct classroom
15 and alternative payment services.

16 (q) “Elementary school,” as contained in former Section 425 of
17 Title 20 of the United States Code (the National Defense Education
18 Act of 1958, Public Law 85-864, as amended), includes early
19 childhood education programs and all early learning and
20 educational support programs, for the purpose of the cancellation
21 provisions of loans to students in institutions of higher learning.

22 (r) “Family child care home education network” means an entity
23 organized under law that contracts with the department pursuant
24 to Section 8245 to make payments to licensed family child care
25 home providers and to provide educational and support services
26 to those providers and to children and families eligible for
27 state-subsidized early learning and educational support services.
28 A family child care home education network may also be referred
29 to as a family child care home system.

30 (s) “Higher educational institutions” means the Regents of the
31 University of California, the Trustees of the California State
32 University, the Board of Governors of the California Community
33 Colleges, and the governing bodies of any accredited private
34 nonprofit institution of postsecondary education.

35 (t) “Intergenerational staff” means persons of various
36 generations.

37 (u) “Limited-English-speaking-proficient and
38 non-English-speaking-proficient children” means children who
39 are unable to benefit fully from an English-only early learning and
40 educational support program as a result of either of the following:

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

3 (2) Having a language other than English predominantly or
4 exclusively spoken at home.

5 (v) “Parent” means a biological parent, stepparent, adoptive
6 parent, foster parent, caretaker relative, or any other adult living
7 with a child who has responsibility for the care and welfare of the
8 child.

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

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

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

23 (z) “Severely disabled children” are children with exceptional
24 needs from birth to 21 years of age, inclusive, who require intensive
25 instruction and training in programs serving pupils with the
26 following profound disabilities: autism, blindness, deafness, severe
27 orthopedic impairments, serious emotional disturbances, or severe
28 intellectual disabilities. “Severely disabled children” also include
29 those individuals who would have been eligible for enrollment in
30 a developmental center for handicapped pupils under Chapter 6
31 (commencing with Section 56800) of Part 30 of Division 4 of Title
32 2 as it read on January 1, 1980.

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

1 (ab) “Site supervisor” means a person who, regardless of his or
2 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 (ac) “Standard reimbursement rate” means that rate established
11 by the Superintendent pursuant to Section 8265.

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

15 (ae) “California state preschool program services” means
16 part-day and full-day educational programs and services designed
17 to facilitate the transition to kindergarten for low-income or
18 otherwise disadvantaged three- and four-year-old children.

19 (af) “Support services” means those services that, when
20 combined with early learning and educational support services,
21 help promote the healthy physical, mental, social, and emotional
22 growth of children. Support services include, but are not limited
23 to: protective services, parent training, provider and staff training,
24 transportation, parent and child counseling, resource and referral
25 services, and child placement counseling.

26 (ag) “Teacher” means a person with the appropriate permit
27 issued by the Commission on Teacher Credentialing who provides
28 program supervision and instruction that includes supervision of
29 a number of aides, volunteers, and groups of children.

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

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

- 37 (1) To undertake training in preparation for a job.
- 38 (2) To undertake or retain a job.
- 39 (3) To undertake other activities that are essential to maintaining
40 or improving the social and economic function of the family, are

1 beneficial to the community, or are required because of health
2 problems in the family.

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

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

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

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

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

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

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

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

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

22 ~~SEC. 11.~~

23 *SEC. 7.* Section 8208.1 of the Education Code is amended to
24 read:

25 8208.1. Care exempt from licensure is a valid parental choice
26 of care for all programs provided for under this part, and no
27 provision of this part shall be construed to exclude or discourage
28 the exercise of that choice.

29 ~~SEC. 12.~~

30 *SEC. 8.* Section 8208.5 of the Education Code is amended to
31 read:

32 8208.5. Notwithstanding any other law, early learning and
33 educational support programs, as defined in Section 8208, shall
34 include, but not be limited to, respite child care.

35 ~~SEC. 13.~~

36 *SEC. 9.* Section 8209 of the Education Code is amended to
37 read:

38 8209. (a) If a state of emergency is declared by the Governor,
39 the Superintendent may waive any requirements of this code or
40 regulations adopted pursuant to this code relating to early learning

1 and educational support programs operated pursuant to this chapter
2 only to the extent that enforcement of the regulations or
3 requirements would directly impede disaster relief and recovery
4 efforts or would disrupt the current level of service in early learning
5 and educational support programs.

6 (b) If a state of emergency is declared by the Governor, the
7 Superintendent may ~~waive~~, *waive* any requirements of this code
8 or regulations adopted pursuant to this code relating to child
9 nutrition programs in early learning and educational support
10 programs operated pursuant to this chapter only to the extent that
11 enforcement of the regulations or requirements would directly
12 impede disaster relief and recovery efforts or would disrupt the
13 current level of service in early learning and educational support
14 programs.

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

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

19 (e) If a request for a waiver pursuant to subdivision (a) or (b)
20 is for an early learning and educational support program or child
21 nutrition program that receives federal funds and the waiver may
22 be inconsistent with the state plan or any federal law or regulations
23 governing the program, the Superintendent shall seek and obtain
24 approval of the waiver from the appropriate federal agency before
25 granting the waiver.

26 ~~SEC. 14:~~

27 *SEC. 10.* Section 8210 of the Education Code is amended to
28 read:

29 8210. Funds appropriated for the purpose of this chapter may
30 be used for resource and referral programs that may be operated
31 by public or private nonprofit entities.

32 ~~SEC. 15:~~

33 *SEC. 11.* Section 8211 of the Education Code is amended to
34 read:

35 8211. It is the intent of the Legislature that one hundred eighty
36 thousand dollars (\$180,000) be appropriated each fiscal year for
37 allocation to resource and referral agencies operated by local
38 educational agencies for the purpose of the resources and referral
39 program set forth in this article.

1 ~~SEC. 16.~~

2 *SEC. 12.* Section 8212 of the Education Code is amended to
3 read:

4 8212. For purposes of this article, resource and referral
5 programs, established to serve a defined geographic area, shall
6 provide the following services:

7 (a) Identification of the full range of existing services through
8 information provided by all relevant public and private agencies
9 in the areas of service, and the development of a resource file of
10 those services that shall be maintained and updated at least
11 quarterly. These services shall include, but not be limited to, early
12 learning and educational support programs, family day care homes,
13 public and private day care programs, full-time and part-time
14 programs, and infant, toddler, preschool, and extended care
15 programs.

16 The resource file shall include, but not be limited to, the
17 following information:

- 18 (1) Type of program.
- 19 (2) Hours of service.
- 20 (3) Ages of children served.
- 21 (4) Fees and eligibility for services.
- 22 (5) Significant program information.

23 (b) (1) Establishment of a referral process that responds to
24 parental need for information and that is provided with full
25 recognition of the confidentiality rights of parents. Resource and
26 referral programs shall make referrals to licensed child day care
27 facilities. Referrals shall be made to unlicensed care facilities only
28 if there is no requirement that the facility be licensed. The referral
29 process shall afford parents maximum access to all referral
30 information. This access shall include, but is not limited to,
31 telephone referrals to be made available for at least 30 hours per
32 week as part of a full week of operation. Every effort shall be made
33 to reach all parents within the defined geographic area, including,
34 but not limited to, any of the following:

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

38 Each resource and referral program shall publicize its services
39 through all available media sources, agencies, and other appropriate
40 methods.

1 (2) (A) Provision of information to any person who requests a
2 referral of his or her right to view the licensing information of a
3 licensed child day care facility required to be maintained at the
4 facility pursuant to Section 1596.859 of the Health and Safety
5 Code and to access any public files pertaining to the facility that
6 are maintained by the State Department of Social Services
7 Community Care Licensing Division.

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

10 “State law requires licensed child day care facilities to make
11 accessible to the public a copy of any licensing report pertaining
12 to the facility that documents a facility visit or a substantiated
13 complaint investigation. In addition, a more complete file regarding
14 a child care licensee may be available at an office of the State
15 Department of Social Services Community Care Licensing
16 Division. You have the right to access any public information in
17 these files.”

18 (c) Maintenance of ongoing documentation of requests for
19 service tabulated through the internal referral process. The
20 following documentation of requests for service shall be maintained
21 by all resource and referral programs:

22 (1) Number of calls and contacts to the care information and
23 referral program or component.

24 (2) Ages of children served.

25 (3) Time category of care request for each child.

26 (4) Special time category, such as nights, weekends, and swing
27 shift.

28 (5) Reason that the care is needed.

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

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

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

38 (2) Information and resources that help existing providers to
39 maximize their ability to serve the children and parents of their
40 community.

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

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

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

8 (e) (1) A program operating pursuant to this article shall, within
9 two business days of receiving notice, remove a licensed child day
10 care facility with a revocation or a temporary suspension order, or
11 that is on probation from the program's referral list.

12 (2) A program operating pursuant to this article shall, within
13 two business days of receiving notice, notify all entities, operating
14 a program under Article 3 (commencing with Section 8220) and
15 Article 15.5 (commencing with Section 8350) in the program's
16 jurisdiction, of a licensed child day care facility with a revocation
17 or a temporary suspension order, or that is on probation.

18 ~~SEC. 17.~~

19 *SEC. 13.* Section 8212.3 of the Education Code is amended to
20 read:

21 8212.3. (a) In addition to the services described in Section
22 8212, a resource and referral program, established to serve a
23 defined geographic area, may provide short-term respite child care.
24 "Short-term respite care," for purposes of this article, means
25 temporary child care services to do any of the following:

26 (1) Provide services to families identified and referred by child
27 protective agencies.

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

30 (3) Assist parents who, because of serious illness or injury,
31 homelessness, or family crisis, including temporary absence from
32 the home because of illness or injury, would be unable without
33 assistance to provide the normal care and nurture expected of
34 parents.

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

37 (b) Pursuant to the delivery of short-term respite child care
38 services, priority shall be given for the provision of services to
39 families identified and referred by child protective agencies, to
40 relieve the stress caused by child abuse, neglect, or exploitation,

1 or the risks thereof, as described in paragraphs (1) and (2) of
2 subdivision (a). Priority shall be given to assist parents and to
3 provide temporary relief to parents, as described in paragraphs (3)
4 and (4) of subdivision (a) to the extent that resources are available.

5 ~~SEC. 18.~~

6 *SEC. 14.* Section 8213 of the Education Code is amended to
7 read:

8 8213. All resource and referral services shall be provided in a
9 manner that is responsive to the diverse cultural, linguistic, and
10 economic needs of a defined geographic area of service.

11 ~~SEC. 19.~~

12 *SEC. 15.* Section 8214 of the Education Code is amended to
13 read:

14 8214. (a) Resource and referral services shall be provided to
15 all persons requesting services and to all types of eligible providers,
16 regardless of income level or other eligibility criteria. In addition
17 to the services prescribed by this section, resource and referral
18 may provide a wide variety of parent and provider support and
19 educational services.

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

- 23 (1) An alternative payment program.
24 (2) A resource and referral program.
25 (3) A partnership between the alternative payment program and
26 the resource and referral program.

27 (c) The information provided by the program or partnership
28 shall be to assist parents in making informed choices about
29 available types of care that would both offer a safe, caring, and
30 age-appropriate early learning and educational support environment
31 for children, as well as support the parents' work activities,
32 including, but not limited to, information about high-quality early
33 learning and educational support options and resources specified
34 in this subdivision. The program or partnership may ~~utilize~~
35 ~~resources from a certified list posted on the department's Internet~~
36 ~~Web site pursuant to subdivision (b) of Section 8203, or may~~
37 develop local resources that shall include, but are not limited to,
38 the following:

- 39 (1) Information regarding how to select services that meet the
40 needs of the parent and child.

1 (2) Information on licensing requirements and procedures for
2 centers and family homes.

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

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

7 (5) Information on available care subsidies and eligibility
8 requirements.

9 (6) Quality indicators, including provider or educator training,
10 accreditation, staff stability, group size, ratio of children to staff,
11 environments that support the healthy development of children,
12 parent involvement, and communication between the parent and
13 provider.

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

16 (d) The program or partnership shall also provide parenting
17 information to parents.

18 ~~SEC. 20.~~

19 *SEC. 16.* Section 8215 of the Education Code is amended to
20 read:

21 8215. (a) There is hereby established a project known as the
22 California Child Care Initiative Project. It is the intent of the
23 Legislature to promote and foster the project in cooperation with
24 private corporations and local governments. The objective of the
25 project is to increase the availability of quality programs in the
26 state.

27 (b) For purposes of this section, the California Child Care
28 Initiative Project means a project to expand the role and functions
29 of selected resource and referral agencies in activities including
30 needs assessment, recruitment and screening of providers, technical
31 assistance, and staff development and training, in order to aid
32 communities in increasing their capability in the number of spaces
33 available and the quality of services offered.

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

38 (d) The project shall ensure that each dollar of state funds
39 allocated pursuant to subdivision (c) is matched by two dollars

1 (\$2) from other sources, including private corporations, the federal
2 government, or local governments.

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

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

7 ~~SEC. 21.~~

8 *SEC. 17.* Section 8216 of the Education Code is amended to
9 read:

10 8216. When making referrals, every agency operating a direct
11 classroom services program or an alternative payment program
12 and a resource and referral program shall provide at least four
13 referrals, at least one of which shall be a provider over which the
14 agency has no fiscal or operational control, as well as information
15 to a family on the family's ability to choose a license exempt
16 provider.

17 ~~SEC. 22.~~

18 *SEC. 18.* Section 8220 of the Education Code is amended to
19 read:

20 8220. Upon the approval of the department, funds appropriated
21 for the purposes of this chapter may be used for alternative payment
22 programs to allow for maximum parental choice. Various methods
23 of reimbursement for parental costs for care may be utilized. All
24 payment arrangements shall conform to the eligibility criteria and
25 the parent fee schedule established pursuant to Sections 8263 and
26 8265.

27 To provide for maximum parental choice, alternative payment
28 programs may include the following:

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

31 (b) Choices, whenever possible, among hours of service
32 including before and after school, evenings, weekends, and split
33 shifts.

34 (c) Early learning and educational support services according
35 to parental choice, including use of family day care homes, general
36 center based programs, and other state-funded programs to the
37 extent that those programs exist in the general service area and are
38 in conformity with the purposes and applicable laws for which
39 those programs were established, but excluding California state
40 preschool program services.

1 ~~SEC. 23.~~

2 *SEC. 19.* Section 8220.1 of the Education Code is amended to
3 read:

4 8220.1. (a) The department shall contract with local contracting
5 agencies for alternative payment programs so that services will be
6 provided throughout the state. The department shall expand existing
7 alternative payment programs and fund new alternative payment
8 programs to the extent that funds are provided by the Legislature.

9 (b) Funding for the new programs pursuant to this section shall
10 be allocated to programs which meet all of the following
11 requirements:

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

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

17 (A) Demonstrating the availability of sufficient licensed or
18 license-exempt providers.

19 (B) Providing a plan for the development of sufficient licensed
20 providers working in cooperation with the local resource and
21 referral agency.

22 (3) Applicants shall demonstrate the administrative viability of
23 the alternative payment agency and its capacity to meet
24 performance requirements.

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

29 (c) On and after July 1, 2014, the Superintendent shall streamline
30 the delivery of alternative payment programs through the
31 simplification of contracts that serve special populations, including,
32 but not limited to, migrant populations. Contractors shall continue
33 to serve the same populations specified in their 2013–14 contracts,
34 unless they receive prior approval from the department.

35 ~~SEC. 24.~~

36 *SEC. 20.* Section 8220.3 is added to the Education Code, to
37 read:

38 8220.3. Alternative payment contractors serving only migrant
39 populations pursuant to a 2013–14 contract shall only enroll
40 children of migrant agricultural worker families, as defined in

1 subdivision (a) of Section 8231, that move from place to place for
2 the purpose of agricultural work.

3 ~~SEC. 25.~~

4 *SEC. 21.* Section 8220.5 of the Education Code is amended to
5 read:

6 8220.5. (a) To offer maximum support for parents and
7 providers, alternative payment programs shall have access to
8 resource and referral services. Funding shall be adequate to
9 purchase care at the same rate that a private client is charged for
10 the same service as well as to provide locally designed support
11 services for parents and providers.

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

14 ~~SEC. 26.~~

15 *SEC. 22.* Section 8220.6 is added to the Education Code, to
16 read:

17 8220.6. (a) Information shall be provided to parents in the
18 county of service at the time the family is determined eligible for
19 services, and at recertification, by one of the following:

- 20 (1) An alternative payment program.
- 21 (2) A resource and referral program.
- 22 (3) A partnership between the alternative payment program and
23 the resource and referral program.

24 (b) The information provided by the program or partnership
25 shall be to assist parents in making informed choices about
26 available types of care that would both offer a safe, caring, and
27 age-appropriate early learning and educational support environment
28 for children, as well as support the parents' work activities,
29 including, but not limited to, information about high-quality early
30 learning and educational support options and resources specified
31 in this subdivision. The program or partnership may ~~utilize~~
32 ~~resources from a certified list posted on the department's Internet~~
33 ~~Web site pursuant to subdivision (b) of Section 8203, or may~~
34 develop local resources that shall include, but are not limited to,
35 the following:

- 36 (1) Information regarding how to select services that meet the
37 needs of the parent and child.
- 38 (2) Information on licensing requirements and procedures for
39 centers and family homes.

1 (3) Trustline requirements for homes and providers exempt from
2 licensure.

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

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

7 (6) Quality indicators, including provider or educator training,
8 accreditation, staff stability, group size, ratio of children to staff,
9 environments that support the healthy development of children,
10 parent involvement, and communication between the parent and
11 provider.

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

14 (c) The program or partnership shall also provide parenting
15 information to parents.

16 ~~SEC. 27.~~

17 *SEC. 23.* Section 8222 of the Education Code is amended to
18 read:

19 8222. (a) Payments made by alternative payment programs
20 shall not exceed the applicable market rate ceiling. Alternative
21 payment programs may expend more than the standard
22 reimbursement rate for a particular child. However, the aggregate
23 payments for services purchased by the agency during the contract
24 year shall not exceed the assigned reimbursable amount as
25 established by the contract for the year. ~~No agency may~~ *An agency*
26 *shall not* make payments in excess of the rate charged to full-cost
27 families. This section does not preclude alternative payment
28 programs from using the average daily enrollment adjustment
29 factor for children with exceptional needs as provided in Section
30 8265.5.

31 (b) Alternative payment programs shall reimburse licensed
32 providers in accordance with a biennial market rate survey pursuant
33 to Section 8447, at a rate not to exceed the ceilings established
34 pursuant to Section 8357.

35 (c) An alternative payment program shall reimburse a licensed
36 provider for care of a subsidized child based on the rate charged
37 by the provider to nonsubsidized families, if any, for the same
38 services, or the rates established by the provider for prospective
39 nonsubsidized families. A licensed provider shall submit to the
40 alternative payment program a copy of the provider's rate sheet

1 listing the rates charged, and the provider's discount or scholarship
2 policies, if any, along with a statement signed by the provider
3 confirming that the rates charged for a subsidized child are equal
4 to or less than the rates charged for a nonsubsidized child.

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

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

11 (f) Each licensed provider may alter rate levels for subsidized
12 children once per year and shall provide the alternative payment
13 program and resource and referral agency with the updated
14 information pursuant to subdivisions (c) and (e), to reflect any
15 changes.

16 (g) A licensed provider shall post in a prominent location
17 adjacent to the provider's license at the child care facility the
18 provider's rates and discounts or scholarship policies, if any.

19 (h) An alternative payment program shall verify provider rates
20 no less frequently than once a year by randomly selecting 10
21 percent of licensed providers serving subsidized families. The
22 purpose of this verification process is to confirm that rates reported
23 to the alternative payment programs reasonably correspond to
24 those reported to the resource and referral agency and the rates
25 actually charged to nonsubsidized families for equivalent levels
26 of services. It is the intent of the Legislature that the privacy of
27 nonsubsidized families shall be protected in implementing this
28 subdivision.

29 (i) The department shall develop regulations for addressing
30 discrepancies in the provider rate levels identified through the rate
31 verification process in subdivision (h).

32 ~~SEC. 28:~~

33 *SEC. 24.* Section 8223 of the Education Code is amended to
34 read:

35 8223. The reimbursement for alternative payment programs
36 shall include the cost of care paid to providers plus the
37 administrative and support services costs of the alternative payment
38 program. The total cost for administration and support services
39 shall not exceed an amount equal to 17.5 percent of the total

1 contract amount. The administrative costs shall not exceed the
2 costs allowable for administration under federal requirements.

3 ~~SEC. 29.~~

4 *SEC. 25.* Section 8225 of the Education Code is amended to
5 read:

6 8225. When making referrals, every agency operating a direct
7 classroom services program or a resource and referral program
8 and an alternative payment program shall provide at least four
9 referrals, at least one of which shall be a provider over which the
10 agency has no fiscal or operational control, as well as information
11 to a family on the family's ability to choose a license exempt
12 provider.

13 ~~SEC. 30.~~

14 *SEC. 26.* Section 8226 of the Education Code is amended to
15 read:

16 8226. (a) When making referrals, every program operating
17 pursuant to this article shall provide information to any person
18 who requests a referral of his or her right to view the licensing
19 information of a licensed child day care facility required to be
20 maintained at the facility pursuant to Section 1596.859 of the
21 Health and Safety Code and to access any public files pertaining
22 to the facility that are maintained by the State Department of Social
23 Services Community Care Licensing Division.

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

26 "State law requires licensed child day care facilities to make
27 accessible to the public a copy of any licensing report pertaining
28 to the facility that documents a facility visit or a substantiated
29 complaint investigation. In addition, a more complete file regarding
30 a child care licensee may be available at an office of the State
31 Department of Social Services Community Care Licensing
32 Division. You have the right to access any public information in
33 these files."

34 (c) Every program operating pursuant to this article shall, within
35 two days of receiving notice, remove from the program's referral
36 list the name of any licensed child day care facility with a
37 revocation or a temporary suspension order or that is on probation.

38 (d) A program operating pursuant to this article shall, within
39 two business days of being notified of a revocation or a temporary

1 suspension order for a licensed child day care facility, do both of
2 the following:

3 (1) Terminate payment to the facility.

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

6 (e) A program operating pursuant to this article shall, upon being
7 notified that a licensed child day care facility has been placed on
8 probation, provide written notice to each parent utilizing the facility
9 that the facility has been placed on probation and that the parent
10 has the option of selecting a different provider or remaining with
11 the facility without risk of subsidy payments to the provider being
12 terminated. The Legislature urges each agency operating pursuant
13 to this section to provide the written notice required by this
14 subdivision in the primary language of the parent, to the extent
15 feasible.

16 ~~SEC. 31.~~

17 *SEC. 27.* Section 8227 of the Education Code is amended to
18 read:

19 8227. (a) To the extent that funding is made available for this
20 purpose through the annual Budget Act, the alternative payment
21 agency in each county shall design, maintain, and administer a
22 system to consolidate local child care waiting lists so as to establish
23 a countywide centralized eligibility list. In those counties with
24 more than one alternative payment agency, the agency that also
25 administers the resource and referral program shall have the
26 responsibility of developing, maintaining, and administering the
27 countywide centralized eligibility list. In those counties with more
28 than one alternative payment agency and more than one resource
29 and referral program, the department shall establish a process to
30 select the agency to develop, maintain, and administer the
31 countywide centralized eligibility list.

32 (b) Notwithstanding subdivision (a), in those counties in which
33 a countywide centralized eligibility list exists, as of the date that
34 the act adding this section is enacted, the entity administering that
35 list may receive funding, instead of the entity specified under
36 subdivision (a).

37 (c) Each centralized eligibility list shall include all of the
38 following:

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

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

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

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

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

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

25 ~~SEC. 32.~~

26 *SEC. 28.* Article 5 (commencing with Section 8228) is added
27 to Chapter 2 of Part 6 of Division 1 of Title 1 of the Education
28 Code, to read:

29

30

Article 5. Direct Classroom Services

31

32 8228. (a) The Superintendent shall administer early learning
33 and educational support programs through direct classroom
34 services, including, but not limited to, direct classroom programs
35 pursuant to Article 6 (commencing with Section 8230) and Article
36 7 (commencing with Section 8235), family child care home
37 education networks pursuant to Article 8.5 (commencing with
38 Section 8245), and services for children with special needs pursuant
39 to Article 9 (commencing with Section 8250).

1 (b) Contractors providing direct classroom services pursuant to
2 this article shall comply with the administrative requirements set
3 forth in Article 10 (commencing with Section 8255).

4 8228.1. The Superintendent, with funds appropriated for this
5 purpose, shall administer programs through direct classroom
6 services. These programs shall include, but not be limited to, all
7 of the following:

8 (a) Age and developmentally appropriate activities for children.

9 (b) Supervision.

10 (c) Parenting education and parent engagement.

11 (d) Developmental and health services.

12 (e) Nutrition.

13 (f) Family support services that include, but are not limited to,
14 assessment of child and family needs and referral to appropriate
15 human services organizations.

16 (g) Training, professional development, and career advancement
17 opportunities, documentation of which shall be provided to the
18 department.

19 8228.2. (a) Subdivision (b) shall apply to the award of funding
20 for direct classroom services programs if upon appropriation by
21 the Legislature moneys are made available for that purpose in any
22 fiscal year.

23 (b) (1) When funding is made available, priority for funding
24 shall be given to programs operating classrooms located in the
25 attendance area of elementary schools ranked in deciles 1 to 3,
26 inclusive, of the Academic Performance Index pursuant to Section
27 52056.

28 (2) In an application for funds pursuant to this subdivision, an
29 agency shall furnish the Superintendent with an estimate of the
30 number and ages of children that it plans to serve in the following
31 fiscal year with those expansion funds. The agency also shall
32 furnish documentation that indicates the basis of those estimates.

33 (3) In awarding contracts for expansion, the Superintendent
34 shall take into account the geographic criteria established pursuant
35 to Section 8279.2, and the headquarters preferences and eligibility
36 criteria relating to fiscal or programmatic noncompliance
37 established pursuant to Section 8261.

38 (c) This section does not prevent eligible children who are
39 currently receiving services from continuing to receive those
40 services in future years pursuant to this chapter.

1 ~~SEC. 33.~~

2 *SEC. 29.* The heading of Article 6 (commencing with Section
3 8230) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
4 Education Code is amended to read:

5

6 Article 6. Services for Migrant Populations

7

8 ~~SEC. 34.~~

9 *SEC. 30.* Section 8230 of the Education Code is amended to
10 read:

11 8230. Contractors serving migrant populations shall comply
12 with the requirements set forth in this article. In addition, the
13 Superintendent shall support and encourage the state-level
14 coordination of all agencies that offer services to migrant
15 populations and state-level coordination of existing health funds
16 for migrants.

17 ~~SEC. 35.~~

18 *SEC. 31.* Section 8231 of the Education Code is amended to
19 read:

20 8231. (a) For the purpose of this chapter, a “migrant
21 agricultural worker family” means a family with at least one parent
22 that has earned at least 50 percent of his or her income from
23 employment in fishing, agriculture, or agriculturally related work
24 during the 12-month period immediately preceding the date of
25 application for early learning and educational support services.

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

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

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

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

35 (4) Eligibility and priority for services for the federally funded
36 Migrant Child Development Program shall be in accordance with
37 the applicable federal regulations.

38 (c) If a contractor serving migrant populations, upon prioritizing
39 migrant families for enrollment and complying with this section,
40 is unable to reach the anticipated level of enrollment as provided

1 in the contract for services, the contractor may use any funds
2 remaining to enroll children from otherwise eligible families
3 pursuant to the priorities set forth in Section 8263.

4 ~~SEC. 36.~~

5 *SEC. 32.* Section 8232 of the Education Code is amended to
6 read:

7 8232. The Superintendent shall develop appropriate quality
8 indicators for contractors that serve migrant populations, including
9 those prescribed in Section 8203, and the following:

10 (a) Social services.

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

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

15 (3) Identification and documentation of family needs and
16 followup referrals as appropriate.

17 (b) Staffing.

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

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

22 (3) Whenever possible, migrants ~~will~~ *shall* be recruited, trained,
23 and hired in early learning and educational support programs.
24 Documentation of training and career ladder opportunities and of
25 recruitment and hiring efforts shall be provided to the department.
26 Staff training shall include principles and practices of early learning
27 and educational support for the age groups of children being served.

28 (c) Developmental and health services in agencies that serve
29 migrant populations shall include health and dental screening and
30 followup treatment. Health records for all migrant children shall
31 follow the child.

32 ~~SEC. 37.~~

33 *SEC. 33.* Section 8233 of the Education Code is amended to
34 read:

35 8233. (a) Cost for migrant population services may exceed
36 the standard reimbursement rate established by the Superintendent.
37 In no case shall the reimbursement exceed the cost of the services.
38 State-funded programs may be eligible for Chapter I federal funds
39 to supplement state funding. These funds shall not be contingent
40 upon the provision of additional child days or enrollment.

1 (b) The Superintendent shall annually reimburse agencies that
2 provide services for seasonal migrant populations pursuant to this
3 article for approvable startup and closedown costs. Reimbursement
4 for both startup and closedown costs shall not exceed 15 percent
5 of the agency's total contract amount.

6 (c) Agencies that provide services for seasonal migrant
7 populations shall submit reimbursement claims for startup costs
8 with their first monthly reports, and reimbursement claims for
9 closedown costs with their final reports.

10 ~~SEC. 38.~~

11 *SEC. 34.* The heading of Article 7 (commencing with Section
12 8235) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
13 Education Code is amended to read:

14
15 Article 7. California State Preschool Program Services

16
17 ~~SEC. 39.~~

18 *SEC. 35.* Section 8235 of the Education Code is amended to
19 read:

20 8235. (a) Contractors providing California state preschool
21 program services for children described in subdivision (aj) of
22 Section 8208, and four-year-old children, as described in
23 subdivision (ak) of Section 8208, shall adhere to the requirements
24 set forth in Article 5 (commencing with Section 8228) in
25 educational development, health services, social services,
26 nutritional services, parent education and parent participation,
27 evaluation, and staff development. These programs shall include,
28 but are not limited to, part-day age and developmentally appropriate
29 programs designed to facilitate the transition to kindergarten for
30 three- and four-year-old children.

31 (b) Preschool services for which federal reimbursement is not
32 available shall be funded as prescribed by the Legislature in the
33 Budget Act, and unless otherwise specified by the Legislature,
34 shall not use federal funds made available through Title XX of the
35 federal Social Security Act (42 U.S.C. Sec. 1397).

36 (c) Three- and four-year-old children are eligible for part-day
37 California state preschool program services if the family meets at
38 least one of the criteria specified in paragraph (1) of subdivision
39 (a) of Section 8263.

1 (d) Notwithstanding any other law, a contractor providing
2 part-day California state preschool program services may provide
3 services to children in families whose income is no more than 15
4 percent above the income eligibility threshold, as described in
5 Sections 8263 and 8263.1, after all eligible three- and four-year-old
6 children have been enrolled. No more than 10 percent of children
7 enrolled, calculated throughout the participating program's entire
8 contract, may be filled by children in families above the income
9 eligibility threshold.

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

15 (f) Any agency described in subdivision (c) of Section 8208 as
16 an "applicant or contracting agency" is eligible to contract to
17 operate a California state preschool program.

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

22 (h) Federal Head Start funds used to provide services to families
23 receiving California state preschool services shall be deemed
24 nonrestricted funds.

25 ~~SEC. 40.~~

26 *SEC. 36.* Section 8236 of the Education Code is amended to
27 read:

28 8236. (a) (1) Contractors providing California state preschool
29 program services pursuant to this article shall give first priority to
30 three- or four-year-old neglected or abused children who are
31 recipients of child protective services, or who are at risk of being
32 neglected, abused, or exploited upon written referral from a legal,
33 medical, or social service agency. If an agency is unable to enroll
34 a child in this first priority category, the agency shall refer the
35 child's parent or guardian to local resource and referral services
36 so that services for the child can be located.

37 (2) Notwithstanding Section 8263, after children in the first
38 priority category set forth in paragraph (1) are enrolled, each
39 agency funded pursuant to Section 8235 shall give priority to
40 eligible four-year-old children before enrolling eligible

1 three-year-old children. Each agency shall certify to the
2 Superintendent that enrollment priority is being given to eligible
3 four-year-old children.

4 (b) For contractors that provide part-day preschool services that
5 are operating with funding that was initially allocated in a prior
6 fiscal year, at least one-half of the children enrolled at a preschool
7 site shall be four-year-old children. Any exception to this
8 requirement shall be approved by the Superintendent. The
9 Superintendent shall inform the Department of Finance of any
10 exceptions that have been granted and the reasons for granting the
11 exceptions.

12 (c) The following provisions apply to the award of new funding
13 for the expansion of the California state preschool program services
14 that is appropriated by the Legislature for that purpose in any fiscal
15 year:

16 (1) In an application for those expansion funds, an agency shall
17 furnish the Superintendent with an estimate of the number of
18 four-year-old and three-year-old children that it plans to serve in
19 the following fiscal year with those expansion funds. The agency
20 also shall furnish documentation that indicates the basis of those
21 estimates.

22 (2) In awarding contracts for expansion pursuant to this
23 subdivision, the Superintendent, after taking into account the
24 geographic criteria established pursuant to Section 8279.3, and the
25 headquarters preferences and eligibility criteria relating to fiscal
26 or programmatic noncompliance established pursuant to Section
27 8261, shall give priority to applicant agencies that, in expending
28 the expansion funds, will be serving the highest percentage of
29 four-year-old children.

30 (d) This section does not preclude a local educational agency
31 from subcontracting with an appropriate public or private agency
32 to operate a California state preschool program and to apply for
33 funds made available for the purposes of this section. If a school
34 district chooses not to operate or subcontract for a California state
35 preschool program, the Superintendent shall work with the county
36 office of education and other eligible agencies to explore possible
37 opportunities in contracting or alternative subcontracting to provide
38 a California state preschool program.

1 (e) This section does not prevent eligible children who are
2 currently receiving services from continuing to receive those
3 services in future years pursuant to this chapter.

4 ~~SEC. 41.~~

5 *SEC. 37.* Section 8236.1 of the Education Code is amended to
6 read:

7 8236.1. The department shall annually monitor funding used
8 in direct classroom programs for infants and toddlers, and hours
9 of service provided in California state preschool program services,
10 and shall annually report to the Department of Finance and to the
11 Legislature a statewide summary identifying the estimated funding
12 used for infants and toddlers, and the number of preschool age
13 children receiving part-day preschool and wraparound services,
14 as defined in subdivision (f) of Section 8239. The annual report
15 shall include a comparison to the prior year on a county-by-county
16 basis.

17 ~~SEC. 42.~~

18 *SEC. 38.* Section 8238.4 of the Education Code is amended to
19 read:

20 8238.4. (a) A family literacy supplemental grant shall be made
21 available and distributed to qualifying California state preschool
22 classrooms, as determined by the Superintendent, at a rate of two
23 thousand five hundred dollars (\$2,500) per class. The
24 Superintendent shall distribute the family literacy supplemental
25 grant funds according to the following priorities:

26 (1) First priority shall be assigned to contractors providing
27 California state preschool program services that contract to receive
28 this funding before July 1, 2012. These programs shall receive this
29 funding until their contract is terminated or the California state
30 preschool program no longer provides family literacy services.

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

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

39 (c) Implementation of this section is contingent upon funding
40 being provided for family literacy supplemental grants for

1 California state preschool program services in the annual Budget
2 Act or other statute.

3 ~~SEC. 43.~~

4 *SEC. 39.* Section 8239 of the Education Code is amended to
5 read:

6 8239. The Superintendent shall encourage state preschool
7 program applicants or contracting agencies to offer full-day
8 services through a combination of part-day preschool slots and
9 wraparound services. In order to facilitate a full day of services,
10 all of the following shall apply:

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

13 (b) Wraparound services provided pursuant to this section shall
14 operate a minimum of 246 days per year unless the contract
15 specified a lower minimum days of operation. Wraparound services
16 may operate a full day for the remainder of the year after the
17 completion of the part-day preschool program services. Services
18 shall be provided in accordance with Article 1 (commencing with
19 Section 8200) and Article 5 (commencing with Section 8228).

20 (c) Part-day preschool services combined with wraparound
21 services shall be reimbursed at no more than the full-day standard
22 reimbursement rate, with adjustment factors, pursuant to Section
23 8265 and as determined in the annual Budget Act.

24 (d) Three- and four-year-old children are eligible for wraparound
25 services to supplement the part-day preschool services if the family
26 meets the eligibility criteria specified in paragraph (1) of
27 subdivision (a) of Section 8263, and the parents meet at least one
28 of the criteria specified in paragraph (2) of subdivision (a) of
29 Section 8263.

30 (e) Fees shall be assessed and collected for families with children
31 in part-day preschool programs, or families receiving wraparound
32 services, or both, pursuant to subdivisions (g) and (h) of Section
33 8263.

34 (f) For purposes of this section, “wraparound services” means
35 additional funding beyond the part-day California state preschool
36 program services provided pursuant to subdivision (a), to meet a
37 family’s need for services while the parent participates in an
38 approved work or work-related activity. These services shall be
39 provided consistent with the early learning and educational support

1 programs provided pursuant to Article 1 (commencing with Section
2 8200) and Article 5 (commencing with Section 8228).

3 ~~SEC. 44.~~

4 *SEC. 40.* The heading of Article 8 (commencing with Section
5 8240) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
6 Education Code is amended to read:

7

8

Article 8. Direct Classroom Programs

9

10 ~~SEC. 45.~~

11 *SEC. 41.* Section 8240 of the Education Code is amended to
12 read:

13 8240. (a) The Superintendent, with funds appropriated for this
14 purpose, shall administer general child care and development
15 programs.

16 General child care and development programs shall include:

17 (1) Age and developmentally appropriate activities for children.

18 (2) Supervision.

19 (3) Parenting education and parent involvement.

20 (4) Social services that include, but are not limited to,
21 identification of child and family needs and referral to appropriate
22 agencies.

23 (5) Health services.

24 (6) Nutrition.

25 (7) Training and career ladder opportunities, documentation of
26 which shall be provided to the department.

27 (b) This section shall become inoperative on July 1, 2014, and,
28 as of January 1, 2015, is repealed, unless a later enacted statute
29 that is enacted before January 1, 2015, deletes or extends the dates
30 on which it becomes inoperative and is repealed.

31 ~~SEC. 46.~~

32 *SEC. 42.* Section 8240 is added to the Education Code, to read:

33 8240. (a) Direct classroom programs shall serve children from
34 birth to 13 years of age, including, but not limited to, services for
35 all of the following:

36 (1) Infants and toddlers.

37 (2) Preschool age children.

38 (3) Schoolage children.

39 (4) Migrant children.

1 (b) The Superintendent shall streamline the delivery of direct
2 classroom programs through the simplification of contracts that
3 serve children described in subdivision (a). This shall include, but
4 is not limited to, services for both of the following special
5 populations:

6 (1) Preschool age children.

7 (2) Migrant children.

8 (c) (1) Contractors shall continue to serve the same populations
9 specified in their 2013–14 contracts, unless they receive prior
10 approval from the department.

11 (2) Contractors that provide services to migrant populations
12 shall comply with Article 6 (commencing with Section 8230).

13 (3) Contractors that provide services to California state preschool
14 program populations shall comply with Article 7 (commencing
15 with Section 8235).

16 (d) This section shall become operative on July 1, 2014.

17 ~~SEC. 47.~~

18 *SEC. 43.* Section 8244 of the Education Code is amended to
19 read:

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

25 (2) Programs providing direct services to children, for the
26 purposes of this section, are direct classroom services programs
27 pursuant to Article 5 (commencing with Section 8228), migrant
28 services pursuant to Article 6 (commencing with Section 8230),
29 California state preschool programs pursuant to Article 7
30 (commencing with Section 8235), direct classroom services for
31 children with special needs programs pursuant to Article 9
32 (commencing with Section 8250), infant care and development
33 services programs pursuant to Article 17 (commencing with Section
34 8390), and any of these programs operated through family child
35 care homes.

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

38 (A) “Administrative responsibility” means awareness of the
39 financial and business circumstances of the program, and, in
40 appropriate cases, supervision of administrative and support

1 personnel and the knowledge and authority to direct or modify
2 administrative practices and procedures to ensure compliance to
3 administrative and financial standards imposed by law.

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

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

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

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

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

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

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

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

1 ~~SEC. 48.~~

2 *SEC. 44.* 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. 49.~~

9 *SEC. 45.* 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 (z)
37 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. 50.~~

9 *SEC. 46.* Section 8250.5 of the Education Code is amended to
10 read:

11 8250.5. A contractor providing services pursuant to a direct
12 classroom services contract, a migrant services contract, or an
13 alternative payment child care contract is subject to the
14 requirements of the federal Americans with Disabilities Act (42
15 U.S.C. Sec. 12101 et seq.).

16 ~~SEC. 51.~~

17 *SEC. 47.* Section 8251 of the Education Code is amended to
18 read:

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

25 ~~Nothing~~

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

28 ~~SEC. 52.~~

29 *SEC. 48.* Section 8252 of the Education Code is amended to
30 read:

31 8252. (a) The department and the local county welfare
32 department shall enter into contracts that establish the procedures
33 for serving and referring a child in need of care as part of the
34 provision of protective services pursuant to Chapter 5 (commencing
35 with Section 16500) of Part 4 of Division 9 of the Welfare and
36 Institutions Code. The department, in consultation with the State
37 Department of Social Services, may contract with another
38 appropriate community agency that provides services or referrals,
39 or both, for the prevention or intervention of child abuse or neglect

1 if no such contract for child care services exists between the
2 department and the county welfare department.

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

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

16 ~~SEC. 53.~~

17 *SEC. 49.* Section 8255 of the Education Code is amended to
18 read:

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

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

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

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

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

34 (4) That improvements be made in the method of reimbursing
35 providers.

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

38 ~~SEC. 54.~~

39 *SEC. 50.* Section 8257 of the Education Code is amended to
40 read:

1 8257. The department shall do all of the following in
2 administering this chapter:

3 (a) Apply sanctions against contracting agencies that have
4 serious licensing violations, as defined and reported by the State
5 Department of Social Services pursuant to Section 1544 of the
6 Health and Safety Code.

7 (b) Provide 90 days' written notification to any contractor whose
8 agreement is being terminated, except if there is imminent danger
9 to the health and welfare of children if agency operation is not
10 terminated more promptly. Notwithstanding Article 18
11 (commencing with Section 8400), the department shall establish
12 procedures for placing a contractor whose agreement is being
13 terminated into receivership. Action to initiate receivership shall
14 be at the discretion of the department, and may be taken against a
15 contractor whose agreement is being terminated either immediately
16 or within 90 days. The receiver shall not be a department employee.
17 The receiver shall have sufficient experience in the administration
18 of early learning and educational support programs to ensure
19 compliance with the terms of the receivership.

20 ~~SEC. 55.~~

21 *SEC. 51.* Section 8258 of the Education Code is amended to
22 read:

23 8258. (a) ~~No~~A person employed by the department in a
24 policymaking position in the area of early learning and educational
25 support programs shall *not* serve as a member of the board of
26 directors, advisory council, or advisory committee for any agency
27 receiving funds pursuant to this chapter.

28 (b) ~~No~~A retired, dismissed, separated, or formerly employed
29 person of the department employed under the State Civil Service
30 *Act* or otherwise appointed to serve in the department ~~may~~ *shall*
31 *not* enter into a contract pursuant to Section 8262 in which he or
32 she engaged in any of the negotiations, transactions, planning,
33 arrangements, or any part of the decisionmaking process relevant
34 to the contract while employed in any capacity by the department.
35 The prohibition contained in this subdivision shall apply to the
36 person only during the two-year period beginning on the date the
37 person left state employment.

38 (c) For a period of 12 months following the date of his or her
39 retirement, dismissal, or separation from state service, ~~no~~ a person
40 employed under ~~State Civil Service~~ *state civil service* or otherwise

1 appointed to serve in the department ~~may~~ *shall not* enter into a
2 contract pursuant to Section 8262 if he or she was employed by
3 the department in a policymaking position in the area of early
4 learning and educational support programs within the 12-month
5 period before his or her retirement, dismissal, or separation.

6 (d) For a period of 12 months following the date of his or her
7 retirement, dismissal, or separation from state service, no person
8 employed under ~~State Civil Service~~ *state civil service* or otherwise
9 appointed to serve in the department may be employed by a
10 contractor pursuant to Section 8262 if he or she engaged in any of
11 the negotiations, transactions, planning, arrangements, or any part
12 of the decisionmaking process relevant to the contract while
13 employed in any capacity by the department.

14 ~~SEC. 56.~~

15 *SEC. 52.* Section 8261 of the Education Code is amended to
16 read:

17 8261. (a) The Superintendent shall adopt rules and regulations
18 pursuant to this chapter. The rules and regulations shall include,
19 but not be limited to, provisions which do all of the following:

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

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

25 (3) Specify adequate standards of agency performance.

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

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

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

1 (b) The Superintendent shall consult with the State Department
2 of Social Services with respect to rules and regulations adopted
3 relative to the disbursal of federal funds under Title XX of the
4 federal Social Security Act.

5 (c) For purposes of expediting the implementation of state or
6 federal legislation to expand child care services, the Superintendent
7 may waive (1) the regulations regarding the point qualifications
8 for, and the process and scoring of, interviews of contract
9 applicants pursuant to Section 18002 of Title 5 of the California
10 Code of Regulations, or (2) the time limitations for scheduling and
11 notification of appeal hearings and their results pursuant to Section
12 18003 of Title 5 of the California Code of Regulations. The
13 Superintendent shall ensure that the appeal hearings provided for
14 in Section 18003 of Title 5 of the California Code of Regulations
15 are conducted in a timely manner.

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

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

27 ~~SEC. 57.~~

28 *SEC. 53.* Section 8261.5 of the Education Code is amended to
29 read:

30 8261.5. For purposes of meeting state and federal reporting
31 requirements and for the effective administration of early learning
32 and educational support programs, the Superintendent is authorized
33 to require the collection and submission of social security numbers
34 of heads of households, and other information as required, from
35 public and private agencies contracting with the department
36 pursuant to this chapter, including local educational agencies.

37 ~~SEC. 58.~~

38 *SEC. 54.* Section 8262 of the Education Code is amended to
39 read:

1 8262. Notwithstanding Sections 14616 and 14780 of the
2 Government Code, the Superintendent may enter into and execute
3 local contractual agreements with any public or private entity or
4 agency for the delivery of early learning and educational support
5 services or the furnishing of property, facilities, personnel, supplies,
6 equipment, and administrative services related to the delivery of
7 early learning and educational support services. Before entering
8 into or executing a local agreement, the department shall obtain
9 annual approval from the Department of General Services and the
10 Department of Finance as to the form and general content thereof.
11 The agreements may only be made for the delivery of early learning
12 and educational support services, or the furnishing of property,
13 facilities, personnel, supplies, equipment, or administrative services
14 related thereto, which conform with the provisions of this chapter.

15 ~~SEC. 59.~~

16 *SEC. 55.* Section 8263 of the Education Code is amended to
17 read:

18 8263. (a) The Superintendent shall adopt rules and regulations
19 on eligibility, enrollment, and priority of services needed to
20 implement this chapter. In order to be eligible for federal and state
21 subsidized early learning and educational support services, families
22 shall meet at least one requirement in each of the following areas:

23 (1) A family is (A) a current aid recipient, (B) income eligible,
24 (C) homeless, or (D) one whose children are recipients of protective
25 services, or whose children have been identified as being abused,
26 neglected, or exploited, or at risk of being abused, neglected, or
27 exploited.

28 (2) A family needs the child care services (A) because the child
29 is identified by a legal, medical, or social services agency, or
30 emergency shelter as (i) a recipient of protective services or (ii)
31 being neglected, abused, or exploited, or at risk of neglect, abuse,
32 or exploitation, or (B) because the parents are (i) engaged in
33 vocational training leading directly to a recognized trade,
34 paraprofession, or profession, (ii) employed or seeking
35 employment, (iii) seeking permanent housing for family stability,
36 or (iv) incapacitated.

37 (b) Except as provided in Article 15.5 (commencing with Section
38 8350), priority for federal and state subsidized early learning and
39 educational support services is as follows:

1 (1) (A) First priority shall be given to neglected or abused
2 children who are recipients of child protective services, or children
3 who are at risk of being neglected or abused, upon written referral
4 from a legal, medical, or social services agency. If an agency is
5 unable to enroll a child in the first priority category, the agency
6 shall refer the family to local resource and referral services to
7 locate services for the child.

8 (B) A family who is receiving child care on the basis of being
9 a child at risk of abuse, neglect, or exploitation, as defined in
10 subdivision (i) of Section 8208, is eligible to receive services
11 pursuant to subparagraph (A) for up to three months, unless the
12 family becomes eligible pursuant to subparagraph (C).

13 (C) A family may receive child care services for up to 12 months
14 on the basis of a certification by the county child welfare agency
15 that child care services continue to be necessary or, if the child is
16 receiving child protective services during that period of time, and
17 the family requires child care and remains otherwise eligible. This
18 time limit does not apply if the family’s referral is recertified by
19 the county child welfare agency.

20 (2) Second priority shall be given equally to eligible families,
21 regardless of the number of parents in the home, who are income
22 eligible. Within this priority, families with the lowest gross monthly
23 income in relation to family size, as determined by a schedule
24 adopted by the Superintendent, shall be admitted first. If two or
25 more families are in the same priority in relation to income, the
26 family that has a child with exceptional needs shall be admitted
27 first. If there is no family of the same priority with a child with
28 exceptional needs, the same priority family that has been on the
29 waiting list for the longest time shall be admitted first. For purposes
30 of determining order of admission, the grants of public assistance
31 recipients shall be counted as income.

32 (3) The Superintendent shall set criteria for and may grant
33 specific waivers of the priorities established in this subdivision for
34 agencies that wish to serve specific populations, including children
35 with exceptional needs or children of prisoners. These new waivers
36 shall not include proposals to avoid appropriate fee schedules or
37 admit ineligible families, but may include proposals to accept
38 members of special populations in other than strict income order,
39 as long as appropriate fees are paid.

1 (c) Notwithstanding any other law, in order to promote
2 continuity of services, a family enrolled in a state or federally
3 funded child care and development program whose services would
4 otherwise be terminated because the family no longer meets the
5 program income, eligibility, or need criteria may continue to
6 receive child development services in another state or federally
7 funded child care and development program if the contractor is
8 able to transfer the family's enrollment to another program for
9 which the family is eligible before the date of termination of
10 services or to exchange the family's existing enrollment with the
11 enrollment of a family in another program, provided that both
12 families satisfy the eligibility requirements for the program in
13 which they are being enrolled. The transfer of enrollment may be
14 to another program within the same administrative agency or to
15 another agency that administers state or federally funded child
16 care and development programs.

17 (d) In order to promote continuity of services, the Superintendent
18 may extend the 60-working-day period specified in subdivision
19 (a) of Section 18086.5 of Title 5 of the California Code of
20 Regulations for an additional 60 working days if he or she
21 determines that opportunities for employment have diminished to
22 the degree that one or both parents cannot reasonably be expected
23 to find employment within 60 working days and granting the
24 extension is in the public interest. The scope of extensions granted
25 pursuant to this subdivision shall be limited to the necessary
26 geographic areas and affected persons, which shall be described
27 in the Superintendent's order granting the extension. It is the intent
28 of the Legislature that extensions granted pursuant to this
29 subdivision improve services in areas with high unemployment
30 rates and areas with disproportionately high numbers of seasonal
31 agricultural jobs.

32 (e) A physical examination and evaluation, including
33 age-appropriate immunization, shall be required before, or within
34 six weeks of, enrollment. A standard, rule, or regulation shall not
35 require medical examination or immunization for admission to an
36 early learning and educational support program of a child whose
37 parent or guardian files a letter with the governing board of the
38 program stating that the medical examination or immunization is
39 contrary to his or her religious beliefs, or provide for the exclusion
40 of a child from the program because of a parent or guardian having

1 filed the letter. However, if there is good cause to believe that a
2 child is suffering from a recognized contagious or infectious
3 disease, the child shall be temporarily excluded from the program
4 until the governing board of the program is satisfied that the child
5 is not suffering from that contagious or infectious disease.

6 (f) Regulations formulated and promulgated pursuant to this
7 section shall include the recommendations of the State Department
8 of Health Care Services relative to health care screening and the
9 provision of health care services. The Superintendent shall seek
10 the advice and assistance of these health authorities in situations
11 where service under this chapter includes or requires care of
12 children who are ill or children with exceptional needs.

13 (g) (1) The Superintendent shall establish a fee schedule for
14 families utilizing early learning and educational support services
15 pursuant to this chapter, including families receiving services under
16 paragraph (1) of subdivision (b). Families receiving services under
17 subparagraph (B) of paragraph (1) of subdivision (b) may be
18 exempt from these fees for up to three months. Families receiving
19 services under subparagraph (C) of paragraph (1) of subdivision
20 (b) may be exempt from these fees for up to 12 months. The
21 cumulative period of time of exemption from these fees for families
22 receiving services under paragraph (1) of subdivision (b) shall not
23 exceed 12 months.

24 (2) The income of a recipient of federal supplemental security
25 income benefits pursuant to Title XVI of the federal Social Security
26 Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program
27 benefits pursuant to Title XVI of the federal Social Security Act
28 (42 U.S.C. Sec. 1381 et seq.) and Chapter 3 (commencing with
29 Section 12000) of Part 3 of Division 9 of the Welfare and
30 Institutions Code shall not be included as income for purposes of
31 determining the amount of the family fee.

32 (h) (1) The family fee schedule shall provide, among other
33 things, that a contractor or provider may require parents to provide
34 diapers. A contractor or provider offering field trips either may
35 include the cost of the field trips within the service rate charged
36 to the parent or may charge parents an additional fee. Federal or
37 state money shall not be used to reimburse parents for the costs of
38 field trips if those costs are charged as an additional fee. A
39 contractor or provider that charges parents an additional fee for

1 field trips shall inform parents, before enrolling the child, that a
2 fee may be charged and that no reimbursement will be available.

3 (2) A contractor or provider may charge parents for field trips
4 or require parents to provide diapers only under the following
5 circumstances:

6 (A) The provider has a written policy that is adopted by the
7 agency's governing board that includes parents in the
8 decisionmaking process regarding both of the following:

9 (i) Whether or not, and how much, to charge for field trip
10 expenses.

11 (ii) Whether or not to require parents to provide diapers.

12 (B) The maximum total of charges per child in a contract year
13 does not exceed twenty-five dollars (\$25).

14 (C) A child shall not be denied participation in a field trip due
15 to the parent's inability or refusal to pay the charge. Adverse action
16 shall not be taken against a parent for that inability or refusal.

17 (3) Each contractor or provider shall establish a payment system
18 that prevents the identification of children based on whether or
19 not their parents have paid a field trip charge.

20 (4) Expenses incurred and income received for field trips
21 pursuant to this section shall be reported to the department. The
22 income received for field trips shall be reported specifically as
23 restricted income.

24 (i) The Superintendent shall establish guidelines for the
25 collection of employer-sponsored child care benefit payments from
26 a parent whose child receives subsidized early learning and
27 educational support services. These guidelines shall provide for
28 the collection of the full amount of the benefit payment, but not
29 to exceed the actual cost of early learning and educational support
30 services provided, notwithstanding the applicable fee based on the
31 fee schedule.

32 (j) The Superintendent shall establish guidelines according to
33 which the director or a duly authorized representative of the early
34 learning and educational support program will certify children as
35 eligible for state reimbursement pursuant to this section.

36 (k) Public funds shall not be paid directly or indirectly to an
37 agency that does not pay at least the minimum wage to each of its
38 employees.

1 ~~SEC. 60.~~

2 *SEC. 56.* Section 8263.2 of the Education Code is amended to
3 read:

4 8263.2. (a) Notwithstanding any other law, effective July 1,
5 2011, the department shall reduce the maximum reimbursable
6 amounts of the contracts for the Preschool Education Program, the
7 General Child Care Program, the Migrant Day Care Program, the
8 Alternative Payment Program, the CalWORKs Stage 3 Program,
9 and the Allowance for Handicapped Program by 11 percent or by
10 whatever proportion is necessary to ensure that expenditures for
11 these programs do not exceed the amounts appropriated for them,
12 including any reductions made subsequent to the adoption of the
13 annual Budget Act. The department may consider the contractor's
14 performance or whether the contractor serves children in an
15 underserved area, as defined in subdivision (ah) of Section 8208,
16 when determining contract reductions, provided that the aggregate
17 reduction to each program specified in this subdivision is 11
18 percent or by whatever proportion is necessary to ensure that
19 expenditures for these programs do not exceed the amounts
20 appropriated for them, including any reductions made subsequent
21 to the adoption of the annual Budget Act.

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

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

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

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

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

36 (5) 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. 61.~~

2 *SEC. 57.* Section 8263.3 of the Education Code is amended to
3 read:

4 8263.3. (a) Notwithstanding any other law, and in addition to
5 any reductions applied pursuant to Section 8263.2, effective July
6 1, 2012, the department shall reduce the maximum reimbursable
7 amounts of the contracts for the General Child Care Program, the
8 Migrant Day Care Program, the Alternative Payment Program, the
9 CalWORKs Stage 3 Program, and the Allowance for Handicapped
10 Program by 8.7 percent or by whatever proportion is necessary to
11 ensure that expenditures for these programs do not exceed the
12 amounts appropriated for them, as adjusted for any reductions in
13 appropriations made subsequent to the adoption of the annual
14 Budget Act. The department may consider the contractor's
15 performance or whether the contractor serves children in an
16 underserved area, as defined in subdivision (ah) of Section 8208,
17 when determining contract reductions, provided that the aggregate
18 reduction to each program specified in this subdivision is 8.7
19 percent or whatever proportion is necessary to ensure that
20 expenditures for these programs do not exceed the amounts
21 appropriated for them, as adjusted for any reductions in
22 appropriations made subsequent to the adoption of the annual
23 Budget Act.

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

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

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

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

33 (4) Families whose children are receiving child protective
34 services or are at risk of being neglected or abused, regardless of
35 family income.

36 ~~SEC. 62.~~

37 *SEC. 58.* Section 8263.4 of the Education Code is amended to
38 read:

39 8263.4. (a) The preferred placement for children who are 11
40 or 12 years of age and who are otherwise eligible for subsidized

1 early learning and educational support services shall be in a before
2 or after school program.

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

13 (c) Children who are 11 or 12 years of age, who are eligible for
14 and who are receiving subsidized services, and for whom a before
15 or after school program is not available, shall continue to receive
16 subsidized services.

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

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

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

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

31 (4) The program is too geographically distant from the parents'
32 residence.

33 (5) Use of the program would create substantial transportation
34 obstacles for the family.

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

37 (e) If an ~~11 or 12 year old~~ *11- or 12-year-old* child who is
38 enrolled in a subsidized early learning and educational support
39 program becomes ineligible for subsidized care under subdivision
40 (b) and is disenrolled from the before or after school program, or

1 if the before or after school program no longer meets the needs of
2 the family, the child shall be given priority to return to the
3 subsidized early learning and educational support services upon
4 the parent's notification of the contractor of the need for child care.

5 (f) This section does not apply to an ~~11 or 12 year old~~ 11- or
6 12-year-old child with a disability, including a child with
7 exceptional needs who has an individualized education program
8 as required by the federal Individuals with Disabilities Education
9 Act (20 U.S.C. Sec. 1400 et seq.), Section 504 of the federal
10 Rehabilitation Act of 1973 (29 U.S.C. Sec. 794), or Part 30
11 (commencing with Section 56000) of Division 4 of Title 2.

12 (g) The savings generated each contract year by the
13 implementation of the changes made to this section by Chapter 78
14 of the Statutes of 2005 shall remain with each alternative payment
15 program, early learning and educational support center, or other
16 contractor for the provision of services, except for care provided
17 by programs pursuant to Article 15.5 (commencing with Section
18 8350). Each contractor shall report annually to the department the
19 amount of savings resulting from this implementation, and the
20 department shall report annually to the Legislature the amount of
21 savings statewide resulting from that implementation.

22 ~~SEC. 63.~~

23 *SEC. 59.* Section 8264 of the Education Code is amended to
24 read:

25 8264. By July 1, 1981, and annually thereafter, the State
26 Department of Health *Care Services* shall provide a mechanism
27 for the delivery of health screening and followup services for
28 children enrolled in early learning and educational support
29 programs for whom there are no appropriate health services
30 accessible by referral.

31 ~~SEC. 64.~~

32 *SEC. 60.* Section 8264.5 of the Education Code is amended to
33 read:

34 8264.5. The Superintendent may waive or modify requirements
35 in order to enable direct classroom services programs to serve
36 combinations of eligible children in areas of low population. The
37 programs for which the Superintendent may grant waivers shall
38 include, but need not be limited to, California state preschool
39 full-day program services, services provided by the California
40 School Age Families Education Program (Article 7.1 (commencing

1 with Section 54740) of Chapter 9 of Part 29 of Division 4 of Title
2 2), infant and toddler services, migrant services, and general direct
3 classroom services programs.

4 ~~SEC. 65.~~

5 *SEC. 61.* Section 8264.6 of the Education Code is amended to
6 read:

7 8264.6. The Superintendent may provide outreach services and
8 technical assistance to new applicants or contracting agencies and
9 to those providing services during nontraditional times, in
10 underserved geographic areas, and for children with specific service
11 needs, including infants and toddlers under three years of age.

12 ~~SEC. 66.~~

13 *SEC. 62.* Section 8264.7 of the Education Code is amended to
14 read:

15 8264.7. (a) The Superintendent shall establish rules and
16 regulations for the staffing of all direct classroom services
17 programs under contract with the department.

18 (b) Priority shall be given by the department to the employment
19 of persons in direct classroom services programs with ethnic
20 backgrounds that are similar to those of the child for whom services
21 are provided.

22 (c) For purposes of staffing direct classroom services programs,
23 the role of a teacher in child supervision means direct supervision
24 of the children as well as supervision of aides and groups of
25 children.

26 (d) Family child care homes shall operate pursuant to ~~adult/child~~
27 *adult-to-child* ratios prescribed in Chapter 7 (commencing with
28 Section 86001) of Division 6 of Title 22 of the California Code of
29 Regulations.

30 (e) Approval by the Superintendent of any ongoing or new
31 programs seeking to operate under the ratios and standards
32 established by the Superintendent under this chapter shall be based
33 upon the following considerations:

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

36 (2) The ability of the Superintendent to implement a funding
37 source change.

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

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

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

5 ~~SEC. 67.~~

6 *SEC. 63.* Section 8264.8 of the Education Code is repealed.

7 ~~SEC. 68.~~

8 *SEC. 64.* Section 8264.8 is added to the Education Code, to
9 read:

10 8264.8. (a) Early learning and educational support programs
11 shall maintain at least the following minimum ratios in all direct
12 classroom services except for family child care home education
13 networks operating pursuant to Article 8.5 (commencing with
14 Section 8245):

15 (1) Infants, birth to 18 months old—1:3 adult-to-child ratio,
16 1:18 teacher-to-child ratio.

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

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

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

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

25 ~~SEC. 69.~~

26 *SEC. 65.* Section 8265 of the Education Code is amended to
27 read:

28 8265. (a) The Superintendent shall implement a plan that
29 establishes reasonable standards and assigned reimbursement rates,
30 which vary with the length of the program year and the hours of
31 service.

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

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

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

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

1 (b) The standard reimbursement rate shall be three thousand
2 five hundred twenty-three dollars (\$3,523) per unit of average
3 daily enrollment for a 250-day year, increased by the cost-of-living
4 adjustment granted by the Legislature beginning July 1, 1980.

5 (c) The plan shall require agencies having an assigned
6 reimbursement rate above the current year standard reimbursement
7 rate to reduce costs on an incremental basis to achieve the standard
8 reimbursement rate.

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

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

15 (2) Need of an agency to pay the same rates as those prevailing
16 in the local community.

17 (3) Increased costs directly attributable to new or different
18 regulations.

19 (4) Documented increased costs necessary to maintain the prior
20 year's level of service and ensure the continuation of threatened
21 programs. Agencies funded at the lowest rates shall be given first
22 priority for increases.

23 (e) The plan shall provide for expansion of early learning and
24 educational support programs at no more than the standard
25 reimbursement rate for that fiscal year.

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

28 (1) Serves more than 400 children.

29 (2) Has in effect a collective bargaining agreement.

30 (3) Has other extenuating circumstances that apply, as
31 determined by the Superintendent.

32 ~~SEC. 70.~~

33 *SEC. 66.* Section 8266 of the Education Code is amended to
34 read:

35 8266. (a) Notwithstanding Section 8265, the assigned
36 reimbursement rate of a direct classroom services program (1)
37 contracting with the department, (2) operating under licensing
38 standards for child care and development facilities specified by
39 Section 1500 et seq. of the Health and Safety Code and by Title
40 22 of the California Code of Regulations, and (3) with less than a

1 majority of subsidized children enrolled in the facility, shall be
2 equivalent to the fee paid for the same service by families of
3 nonsubsidized children.

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

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

14 ~~SEC. 71.~~

15 *SEC. 67.* Section 8266.1 of the Education Code is amended to
16 read:

17 8266.1. Commencing with the 1995–96 fiscal year and each
18 fiscal year thereafter, for the purposes of this chapter,
19 reimbursement rates shall be adjusted by the following
20 reimbursement factors for direct classroom services programs with
21 a standard reimbursement rate, but shall not apply to the resource
22 and referral programs set forth in Article 2 (commencing with
23 Section 8210), the alternative payment programs set forth in Article
24 3 (commencing with Section 8220), the part-day California state
25 preschool programs set forth in Article 7 (commencing with
26 Section 8235), the schoolage community child care services
27 programs set forth in Article 22 (commencing with Section 8460),
28 or to the schoolage parent and infant development programs:

29 (a) For direct classroom services program providers serving
30 children for less than four hours per day, the reimbursement factor
31 is 55 percent of the standard reimbursement rate.

32 (b) For direct classroom services program providers serving
33 children for not less than four hours per day, and less than six and
34 one-half hours per day, the reimbursement factor is 75 percent of
35 the standard reimbursement rate. For providers operating under
36 the At Risk Child Care Program set forth in Article 15.5
37 (commencing with Section 8350) and serving children for not less
38 than four hours per day, and less than seven hours per day, the
39 reimbursement factor is 75 percent of the standard reimbursement
40 rate.

1 (c) For direct classroom services program providers serving
 2 children for not less than six and one-half hours per day, and less
 3 than ~~10 and one-half~~ $10\frac{1}{2}$ hours per day, the reimbursement factor
 4 is 100 percent of the standard reimbursement rate. For providers
 5 operating under the At Risk Child Care Program set forth in Article
 6 15.5 (commencing with Section 8350) and serving children for
 7 not less than seven hours per day, and less than 10 hours per day,
 8 the reimbursement factor is 100 percent of the standard
 9 reimbursement rate.

10 (d) For direct classroom services program providers serving
 11 children for $10\frac{1}{2}$ hours or more per day, the reimbursement factor
 12 is 118 percent of the standard reimbursement rate.

13 ~~SEC. 72.~~

14 *SEC. 68.* Section 8272 of the Education Code is amended to
 15 read:

16 8272. (a) The rules, regulations, and guidelines adopted by
 17 the Superintendent pursuant to Sections 8261 and 8269 shall permit
 18 reimbursement for interest paid by contractors on private sector
 19 debt financing for the purchase, lease-purchase, repair, or
 20 renovation of child care and development facilities owned or leased
 21 by contractors providing early learning and educational support
 22 services.

23 (b) The Superintendent shall adopt regulations requiring
 24 contractors to demonstrate that the amount of interest paid in a
 25 year on private sector debt financing for the purposes identified
 26 in subdivision (a) does not exceed the value obtained by the state
 27 in the use of the facilities during the year for the early learning
 28 and educational support services program. The regulations shall
 29 include, but not be limited to, the following methods of making
 30 this demonstration:

31 (1) Amortization of a loan or lease-purchase contract on a
 32 straight-line basis for the purchase price of a portable building,
 33 including any transportation charges, installation charges, loan
 34 fees, taxes, ~~points~~ *points*, or other fees associated with the purchase,
 35 over a period of 15 years or more.

36 (2) Amortization of a loan or lease-purchase contract on a
 37 straight-line basis for the purchase price of a permanent building
 38 and real estate, including any loan fees, taxes, ~~points~~ *points*, or
 39 other fees associated with the purchase, over a period of 15 years
 40 or more.

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

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

10 ~~SEC. 73.~~

11 *SEC. 69.* Section 8275 of the Education Code is amended to
12 read:

13 8275. (a) The Superintendent may reimburse approvable
14 startup costs of agencies or facilities in an amount not to exceed
15 15 percent of the expansion or increase of each agency's total
16 contract amount. Under no circumstances shall reimbursement for
17 startup costs result in an increase in the agency's total contract
18 amount. These funds shall be available for all of the following:

19 (1) The employment and orientation of necessary staff.

20 (2) The setting up of the program and facility.

21 (3) The finalization of rental agreements and the making of
22 necessary deposits.

23 (4) The purchase of a reasonable inventory of materials and
24 supplies.

25 (5) The purchase of an initial premium for insurance.

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

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

31 ~~SEC. 74.~~

32 *SEC. 70.* Section 8276.7 of the Education Code is amended to
33 read:

34 8276.7. Unless specifically exempted by the Legislature, the
35 administrative cost for all state-funded early learning and
36 educational support programs and all federal programs
37 administered by the state shall not exceed 15 percent of the funds
38 provided for those programs. Eighty-five percent of these funds
39 shall be used to provide direct services in accordance with rules

1 and regulations, or contractual funding terms and conditions
2 prescribed by the Superintendent.

3 ~~SEC. 75.~~

4 *SEC. 71.* Section 8277 of the Education Code is amended to
5 read:

6 8277. (a) The Superintendent shall establish regulations for
7 the allocation of capital outlay funds provided pursuant to ~~Section~~
8 *Sections* 8277.1 to ~~Section~~ 8277.4, inclusive, to benefit children
9 most needing early learning and educational support programs.
10 The first priority for all capital outlay shall be given to facilities
11 located in geographic areas with no other available enrollment
12 slots in existing subsidized and nonsubsidized child care and
13 development facilities. This capital outlay funding shall be used
14 solely for purposes of renovation and repair of existing buildings.

15 (b) The Superintendent shall establish qualifications for
16 determining the eligibility of contracting agencies and day care
17 homes to apply for capital outlay funds.

18 ~~SEC. 76.~~

19 *SEC. 72.* Section 8277.8 of the Education Code is amended to
20 read:

21 8277.8. (a) In the event that a school district elects to
22 discontinue its contract for child development services, the facilities
23 owned by the school district and constructed through the provisions
24 of the local tax override for early learning and educational support
25 program purposes shall be made available to the local contractor
26 whose bid is accepted for continuation of the services.

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

29 ~~SEC. 77.~~

30 *SEC. 73.* Section 8278.3 of the Education Code is amended to
31 read:

32 8278.3. (a) (1) The Child Care Facilities Revolving Fund is
33 hereby established in the State Treasury to provide funding for the
34 renovation, repair, or improvement of an existing building to make
35 the building suitable for licensure for early learning and educational
36 support services and for the purchase of new relocatable child care
37 facilities for lease to school districts and contracting agencies that
38 provide early learning and educational support services pursuant
39 to this chapter. The Superintendent may transfer state funds
40 appropriated for child care facilities into this fund for allocation

1 to school districts and contracting agencies, as specified, for the
2 purchase, transportation, and installation of facilities for
3 replacement and expansion of capacity. School districts and
4 contracting agencies using facilities made available by the use of
5 these funds shall be charged a leasing fee, either at a fair market
6 value for those facilities or at an amount sufficient to amortize the
7 cost of purchase and relocation, whichever amount is lower, over
8 a 10-year period. Upon full repayment of the purchase and
9 relocation costs, title shall transfer from the State of California to
10 the school district or contracting agency. The Superintendent shall
11 deposit all revenue derived from the lease payments into the Child
12 Care Facilities Revolving Fund.

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

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

26 (c) A school district or county office of education that provides
27 child care pursuant to the California School Age Families
28 Education Program (Article 7.1 (commencing with Section 54740)
29 of Chapter 9 of Part 29 of Division 4 of Title 2) is eligible to apply
30 for and receive funding pursuant to this section.

31 ~~SEC. 78.~~

32 *SEC. 74.* Section 8279.1 of the Education Code is amended to
33 read:

34 8279.1. (a) The Legislature recognizes that early learning and
35 educational support programs have made valuable contributions
36 towards ensuring that public assistance recipients will be able to
37 accept and maintain employment or employment-related training.
38 Therefore, it is the intent of the Legislature that the Superintendent
39 ensure that counties comply with the requirements of Section 8279.

1 (b) The Superintendent shall ensure each county’s compliance
 2 with Section 8279 by not issuing funds to a local contractor within
 3 a county until the Superintendent has received written certification
 4 from that county that the level of expenditure for services provided
 5 by the county has been maintained at the 1970–71 fiscal year level
 6 pursuant to Section 8279. Funding provided by a county to a local
 7 contractor shall not adversely affect the reimbursement received
 8 by the agency from the Superintendent pursuant to Section 8265,
 9 8265.5, or 8266.

10 ~~SEC. 79.~~

11 *SEC. 75.* Section 8279.3 of the Education Code is amended to
 12 read:

13 8279.3. (a) The department shall disburse augmentations to
 14 the base allocation for the expansion of early learning and
 15 educational support programs to promote equal access to these
 16 services across the state.

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

22 (c) The Superintendent shall develop a formula for prioritizing
 23 the disbursement of augmentations pursuant to this section. The
 24 formula shall give priority to allocating funds to underserved areas.
 25 The Superintendent shall develop the formula by using the
 26 definition of “underserved area” in subdivision (ah) of Section
 27 8208 and direct impact indicators of need for early learning and
 28 educational support services in the county or subcounty areas. For
 29 purposes of this section, “subcounty areas” include, but are not
 30 limited to, school districts, census tracts, or ZIP Code areas that
 31 are deemed by the Superintendent to be most appropriate to the
 32 type of program receiving an augmentation. Direct impact
 33 indicators of need may include, but are not limited to, the teenage
 34 pregnancy rate, the unemployment rate, area household income,
 35 or the number or percentage of families receiving public assistance,
 36 eligible for Medi-Cal, or eligible for free or reduced-price school
 37 meals, and any unique characteristics of the population served by
 38 the type of program receiving an augmentation.

39 (d) To promote equal access to services, the Superintendent
 40 shall include in guidelines developed for use by local planning

1 councils pursuant to subdivision (d) of Section 8499.5 guidance
2 on identifying underserved areas and populations within counties.
3 This guidance shall include reference to the direct impact indicators
4 of need described in subdivision (c).

5 ~~SEC. 80.~~

6 *SEC. 76.* Section 8279.4 of the Education Code is amended to
7 read:

8 8279.4. The Legislature finds and declares the following:

9 (a) There is a serious shortage of quality child day care facilities
10 throughout the state.

11 (b) It is in the interest of the state’s children and families, and
12 the state’s economic growth, to encourage the expansion of existing
13 child day care facilities by assisting communities and interested
14 government and private entities to finance child day care facilities.

15 (c) In addition to regional resource centers described in
16 Provision 7(d) of Item 6110-196-0001 of the Budget Act of 1999,
17 which focus on developing care capacity in underserved areas of
18 the state, there is a need to access capital for facilities on a
19 systematic basis, especially to use limited public sector funds to
20 leverage a greater private sector role in financing child day care
21 facilities. The Legislature finds and declares that a financial
22 intermediary could fill this role and support the regional resource
23 centers and other local entities that work with potential providers
24 by functioning as a centralized repository of training, best practices,
25 and expertise on facilities financing.

26 ~~SEC. 81.~~

27 *SEC. 77.* Section 8279.5 of the Education Code is amended to
28 read:

29 8279.5. (a) The Superintendent shall contract with a nonprofit
30 organization to serve as a financial intermediary. The nonprofit
31 organization shall have staff who have expertise in financing and
32 capital expansion, are knowledgeable about the early learning and
33 educational support field, and have the ability to develop and
34 implement a plan to increase the availability of financing to
35 renovate, expand, and construct child day care facilities, both in
36 centers and family child care homes.

37 (b) The financial intermediary selected by the Superintendent
38 shall undertake activities designed to increase funds available from
39 the private and public sectors for the financing of child day care

1 facilities. These activities shall include, but are not limited to, all
2 of the following:

3 (1) Soliciting capital grants and program-related investments
4 from foundations and corporations.

5 (2) Building partnerships with foundations and corporations.

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

8 (4) Coordinating private sources of capital with existing public
9 sector sources of financing for child day care facilities, including,
10 but not limited to, the Department of Housing and Community
11 Development and the California Infrastructure and Economic
12 Development Bank.

13 (5) Coordinating financing efforts with the technical assistance
14 provided by the regional resource centers described in Provision
15 7(d) of Item 6110-196-0001 of the Budget Act of 1999, and other
16 local entities that work with potential providers.

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

19 ~~SEC. 82.~~

20 *SEC. 78.* Section 8279.7 of the Education Code is amended to
21 read:

22 8279.7. (a) The Legislature recognizes the importance of
23 providing high-quality early learning and educational support
24 services. It is, therefore, the intent of the Legislature to assist
25 counties in improving the retention and professional growth of
26 qualified instructional employees who work directly with children
27 who receive state-subsidized early learning and educational support
28 services.

29 (b) It is further the intent of the Legislature, in amending this
30 section during the 2009–10 Regular Session, to address the unique
31 challenges of the County of Los Angeles, in which an estimated
32 60,000 low-income children receive subsidized care in
33 nonstate-funded child care settings and an additional 50,000
34 eligible children are waiting for subsidized services.

35 (c) (1) Except as provided in paragraph (2), the funds
36 appropriated for the purposes of this section by paragraph (11) of
37 Schedule (b) of Item 6110-196-0001 of Section 2.00 of the Budget
38 Act of 2000 (Chapter 52 of the Statutes of 2000), and that are
39 described in subdivision (i) of Provision 7 of that item, and any
40 other funds appropriated for purposes of this section, shall be

1 allocated to local planning councils based on the percentage of
2 state-subsidized, direct classroom services funds received in that
3 county, and shall be used to address the retention of qualified
4 instructional employees in state-subsidized centers.

5 (2) Of the funds identified in paragraph (1), funds qualified
6 pursuant to subparagraphs (A) to (C), inclusive, may also be used
7 to address the retention and professional growth of qualified
8 persons working in licensed early learning and educational support
9 programs and that serve a majority of children who receive
10 subsidized direct classroom services pursuant to this chapter,
11 including, but not limited to, family day care homes as defined in
12 Section 1596.78 of the Health and Safety Code. To qualify for use
13 pursuant to this paragraph, the funds shall meet all of the following
14 requirements:

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

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

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

21 (d) The department shall develop guidelines for use by local
22 planning councils in developing county plans for the expenditure
23 of funds allocated pursuant to this section. These guidelines shall
24 be consistent with the department's assessment of the current needs
25 of the subsidized workforce, and shall be subject to the approval
26 of the Department of Finance. Any county plan developed pursuant
27 to these guidelines shall be approved by the department before the
28 allocation of funds to the local planning council.

29 (e) Funds provided to a county for the purposes of this section
30 shall be used in accordance with the plan approved pursuant to
31 subdivision (d). A county with an approved plan may retain up to
32 1 percent of the county's total allocation made pursuant to this
33 section for reimbursement of administrative expenses associated
34 with the planning process.

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

1 ~~SEC. 83.~~

2 *SEC. 79.* Section 8282 of the Education Code is amended to
3 read:

4 8282. (a) The Legislature finds and declares that the state
5 makes a substantial, annual investment in preschool, infant and
6 toddler, and schoolage early learning and educational support
7 programs for eligible families. It is in the best interests of children
8 and their families, and the taxpayers of California, to have
9 information about the development and learning abilities of
10 children developed in these settings, health and other information
11 transferred to, or otherwise available to, the pupil's elementary
12 school.

13 (b) When a child in a state-funded preschool or infant and
14 toddler program will be transferring to a local public school, the
15 preschool or infant and toddler program shall provide the parent
16 or guardian with information from the previous year deemed
17 beneficial to the pupil and the public school teacher, including,
18 but not limited to, development issues, social interaction abilities,
19 health background, and diagnostic assessments, if any. The
20 preschool or infant and toddler program may, with the permission
21 of the parent or guardian, transfer this information to the pupil's
22 elementary school.

23 (c) Any child who has participated in a state subsidized
24 California state preschool program that maintains results-based
25 standards, including the desired results accountability system, may
26 have the performance information transferred to any subsequent
27 or concurrent public school setting. Any transferred information
28 shall be in summary form and only accomplished with the
29 permission of the parent or guardian.

30 ~~SEC. 84.~~

31 *SEC. 80.* Section 8320 of the Education Code is amended to
32 read:

33 8320. The governing board of any school district or a county
34 superintendent of schools with the approval of the county board
35 of education is authorized to establish and maintain early learning
36 and educational support programs upon the approval of, and subject
37 to the regulations of the Superintendent.

38 ~~SEC. 85.~~

39 *SEC. 81.* Section 8321 of the Education Code is amended to
40 read:

1 8321. (a) The county superintendent of schools in each county,
2 with the approval of the county board of education and the
3 Superintendent, shall have the authority to establish and maintain
4 direct classroom services programs in the same manner and to the
5 same extent as governing boards of school or community college
6 districts, except that nothing in this section shall be construed as
7 vesting in the county superintendents of schools any authority to
8 alone effect the levy and collection of any county, school, or other
9 local taxes for the support of any direct classroom services
10 programs.

11 (b) The establishment and maintenance of any direct classroom
12 services program by the county superintendent of schools shall be
13 undertaken, subject to the prior approval of both the county board
14 of education and the Superintendent, upon the application of one
15 or more school districts under his or her jurisdiction.

16 ~~SEC. 86.~~

17 *SEC. 82.* Section 8324 of the Education Code is amended to
18 read:

19 8324. The employees of school districts or community college
20 districts, or county superintendents of schools in direct classroom
21 services programs under this division shall have the same rights
22 and privileges as are granted to employees of the same agencies
23 in children's centers.

24 ~~SEC. 87.~~

25 *SEC. 83.* Section 8327 of the Education Code is amended to
26 read:

27 8327. Notwithstanding any other provision of this chapter, the
28 governing board of a school district or community college district,
29 county superintendent of schools, or other unit of local general
30 purpose government may enter into agreements with any city, city
31 and county, or other public agency, or with a private foundation,
32 nonprofit corporation, or proprietary agency for the furnishing to,
33 or use by, the governing board, county superintendent of schools,
34 or other unit of local general purpose government in carrying out
35 the provisions of this chapter, of property, facilities, personnel,
36 supplies, ~~equipment~~ *equipment*, and other necessary items and
37 such city, county, city and county, other public agency, or private
38 foundation or nonprofit corporation, is authorized to enter into the
39 agreements.

1 ~~SEC. 88.~~

2 *SEC. 84.* Section 8328 of the Education Code is amended to
3 read:

4 8328. (a) The governing board of any school district or the
5 county superintendent of schools shall establish in the county
6 treasury a fund to be known as the “child development fund” into
7 which shall be paid all funds received by the district or the county
8 for, or from the operation of, early learning and educational support
9 services under this chapter. The costs incurred in the maintenance
10 and operation of services shall be paid from the fund, with
11 accounting to reflect specific funding sources.

12 (b) Funds of a district derived from the receipt of district taxes
13 or derived from moneys apportioned to the district for the support
14 of schools of the district, in addition to state moneys appropriated
15 for the support of services, fees, and federal funds, may be
16 expended for, or in connection with these services.

17 ~~SEC. 89.~~

18 *SEC. 85.* Section 8329 of the Education Code is amended to
19 read:

20 8329. The governing board of any school district maintaining
21 an early learning and educational support program may include in
22 its budget the amount necessary to initiate, operate, and maintain
23 a program pursuant to this chapter and the board of supervisors
24 shall levy a school district tax necessary to raise that amount. The
25 tax shall be in addition to any other school district tax authorized
26 by law to be levied.

27 ~~SEC. 90.~~

28 *SEC. 86.* The heading of Article 15.2 (commencing with
29 Section 8335) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
30 Education Code is amended to read:

31
32 Article 15.2. Subsidy Plan for the City and County of San
33 Francisco
34

35 ~~SEC. 91.~~

36 *SEC. 87.* Section 8335.1 of the Education Code is amended to
37 read:

38 8335.1. Before implementing the local subsidy plan, the City
39 and County of San Francisco, in consultation with the department,

1 shall develop an individualized county subsidy plan for the city
2 and county that includes the following four elements:

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

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

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

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

19 (4) The city and county’s self-sufficiency income level.

20 (5) Income eligibility levels for subsidized care.

21 (6) Family fees.

22 (7) The cost of providing care.

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

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

27 (10) Trends in the county’s unemployment rate and housing
28 affordability index.

29 (b) Development of a local policy to eliminate state-imposed
30 regulatory barriers to the city and county’s achievement of its
31 desired outcomes for subsidized care.

32 (1) The local policy shall do all of the following:

33 (A) Prioritize lowest income families first.

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

37 (C) Meet local goals that are consistent with the state’s goals.

38 (D) Identify existing policies that would be affected by the city
39 and county’s subsidy plan.

1 (E) (i) Authorize any agency that provides early learning and
2 educational support services in the city and county through a
3 contract with the department to apply to the department to amend
4 existing contracts in order to benefit from the local policy once it
5 is adopted.

6 (ii) The department shall approve an application to amend an
7 existing contract if the subsidy plan is approved pursuant to
8 subdivision (b) of Section 8335.3, or modified pursuant to
9 subdivision (c) of Section 8335.3.

10 (iii) The contract of a department contractor who does not elect
11 to request an amendment to its contract remains operative and
12 enforceable.

13 (2) (A) The city and county shall, by the end of the first fiscal
14 year of operation under the approved subsidy plan, demonstrate
15 an increase in the aggregate child days of enrollment in the county
16 as compared to the enrollment in the final quarter of the 2004–05
17 fiscal year.

18 (B) The amount of the increase shall be at least equal to the
19 aggregate child days of enrollment in the final quarter of the
20 2004–05 fiscal year for all contracts amended as provided in
21 subparagraph (E) of paragraph (1), under which the contractor
22 receives an increase in its reimbursement rate, ~~times multiplied by~~
23 2 percent.

24 (3) The local policy may supersede state law concerning subsidy
25 programs with regard only to the following factors:

26 (A) Eligibility criteria including, but not limited to, age, family
27 size, time limits, income level, inclusion of former and current
28 CalWORKs participants, and special needs considerations, except
29 that the local policy may not deny or reduce eligibility of a family
30 that qualifies for care pursuant to Section 8353. Under the local
31 policy, a family that qualifies for care pursuant to Section 8354
32 shall be treated for purposes of eligibility and fees in the same
33 manner as a family that qualifies for subsidized care on another
34 basis pursuant to the local policy.

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

38 (C) Reimbursement rates.

39 (D) Methods of maximizing the efficient use of subsidy funds,
40 including, but not limited to, multiyear contracting with the

1 department for direct classroom services, and interagency
2 agreements that allow for flexible and temporary transfer of funds
3 among agencies.

4 (c) Recognition that all funding sources utilized by direct service
5 contractors that provide early learning and educational support
6 services in the city and county are eligible to be included in the
7 subsidy plan of the city and county.

8 (d) Establishment of measurable outcomes to evaluate the
9 success of the plan to achieve the city and county's goals and to
10 overcome any barriers identified in the state's subsidy system. The
11 State Department of Social Services shall have an opportunity to
12 review and comment on the proposed measurable outcomes before
13 they are submitted to the local planning council for approval
14 pursuant to Section 8335.3.

15 ~~SEC. 92.~~

16 *SEC. 88.* Section 8335.5 of the Education Code is amended to
17 read:

18 8335.5. The City and County of San Francisco may implement
19 an individualized subsidy plan until July 1, 2014, at which date
20 the city and county shall terminate the plan. Between July 1, 2014,
21 and July 1, 2016, the city and county shall phase out the
22 individualized county subsidy plan and, as of July 1, 2016, shall
23 implement the state's requirements for subsidies. A child enrolling
24 for the first time for subsidized care in the city and county after
25 July 1, 2014, shall not be enrolled in the pilot program established
26 pursuant to this article and is subject to existing state laws and
27 regulations regarding eligibility and priority.

28 ~~SEC. 93.~~

29 *SEC. 89.* The heading of Article 15.3 (commencing with
30 Section 8340) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
31 Education Code is amended to read:

32

33 Article 15.3. Individualized County Subsidy Plan

34

35 ~~SEC. 94.~~

36 *SEC. 90.* Section 8341 of the Education Code is amended to
37 read:

38 8341. Before implementing the local subsidy plan, the County
39 of San Mateo, in consultation with the department, shall develop

1 an individualized county subsidy plan that includes the following
2 four elements:

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

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

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

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

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

20 (5) Income eligibility levels for subsidized care.

21 (6) Family fees.

22 (7) The cost of providing care.

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

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

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

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

32 (1) The local policy shall do all of the following:

33 (A) Prioritize lowest income families first.

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

37 (C) Meet local goals that are consistent with the state's goals.

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

1 (E) (i) Authorize any agency that provides early learning and
2 educational support services in San Mateo County through a
3 contract with the department to apply to the department to amend
4 existing contracts in order to benefit from the local policy once it
5 is adopted.

6 (ii) The department shall approve an application to amend an
7 existing contract if the subsidy plan is approved pursuant to
8 subdivision (b) of Section 8342, or modified pursuant to
9 subdivision (c) of Section 8342.

10 (iii) The contract of a department contractor who does not elect
11 to request an amendment to its contract remains operative and
12 enforceable.

13 (2) (A) The County of San Mateo shall, by the end of the first
14 fiscal year of operation under the approved subsidy plan,
15 demonstrate an increase in the aggregate child days of enrollment
16 in the county as compared to the enrollment in the final quarter of
17 the 2002–03 fiscal year.

18 (B) The amount of the increase shall be at least equal to the
19 aggregate child days of enrollment in the final quarter of the
20 2002–03 fiscal year for all contracts amended as provided in
21 subparagraph (E) of paragraph ~~(1)~~, under which the contractor
22 receives an increase in its reimbursement rate, ~~times multiplied by~~
23 2 percent.

24 (3) The local policy may supersede state law concerning subsidy
25 programs with regard only to the following factors:

26 (A) Eligibility criteria including, but not limited to, age, family
27 size, time limits, income level, inclusion of former and current
28 CalWORKs participants, and special needs considerations, except
29 that the local policy may not deny or reduce eligibility of a family
30 that qualifies for care pursuant to Section 8353. Under the local
31 policy, a family that qualifies for care pursuant to Section 8354
32 shall be treated for purposes of eligibility and fees in the same
33 manner as a family that qualifies for subsidized care on another
34 basis pursuant to the local policy.

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

38 (C) Reimbursement rates.

39 (D) Methods of maximizing the efficient use of subsidy funds,
40 including, but not limited to, multiyear contracting with the

1 department for direct classroom services, and interagency
2 agreements that allow for flexible and temporary transfer of funds
3 among agencies.

4 (c) Recognition that all funding sources utilized by direct service
5 contractors that provide early learning and educational support
6 services in San Mateo County are eligible to be included in the
7 subsidy plan of the county.

8 (d) Establishment of measurable outcomes to evaluate the
9 success of the plan to achieve the county's goals and to overcome
10 any barriers identified in the state's subsidy system. The State
11 Department of Social Services shall have an opportunity to review
12 and comment on the proposed measurable outcomes before they
13 are submitted to the local planning council for approval pursuant
14 to Section 8342.

15 ~~SEC. 95.~~

16 *SEC. 91.* Section 8341.5 of the Education Code is amended to
17 read:

18 8341.5. To ensure that the annual and final reports required
19 pursuant to Section 8343 provide useful comparative information,
20 the Legislative Analyst and the Senate Office of Research shall
21 review the evaluation design, the baseline data, and the data
22 collection proposed in the subsidy plan of the county before the
23 plan is submitted to the local planning council for approval.

24 ~~SEC. 96.~~

25 *SEC. 92.* Section 8342 of the Education Code is amended to
26 read:

27 8342. (a) The plan shall be submitted to the local planning
28 council for approval. Upon approval of the plan by the local
29 planning council, the county board of supervisors shall hold at
30 least one public hearing on the plan. Following the hearing, if the
31 county board of supervisors votes in favor of the plan, the plan
32 shall be submitted to the Child Development Division of the
33 department for review.

34 (b) Within 30 days of receiving the plan, the Child Development
35 Division shall review and either approve or disapprove the plan.

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

39 (d) The Child Development Division may disapprove only those
40 portions of the plan or modifications to the plan that are not in

1 conformance with this article or that are in conflict with federal
2 law.

3 ~~SEC. 97.~~

4 *SEC. 93.* Section 8343 of the Education Code is amended to
5 read:

6 8343. (a) Upon approval of the plan by the Child Development
7 Division, the County of San Mateo shall annually prepare and
8 submit to the Legislature, the State Department of Social Services,
9 and the department a report that summarizes the success of the
10 pilot project and the county's ability to maximize the use of funds
11 and to improve and stabilize care in the county.

12 (b) On or before December 31, 2008, the County of San Mateo
13 shall submit a final report to the Legislature, the State Department
14 of Social Services, and the department summarizing the impact of
15 the plan on the care needs of working families.

16 ~~SEC. 98.~~

17 *SEC. 94.* Section 8344 of the Education Code is amended to
18 read:

19 8344. The County of San Mateo may implement its
20 individualized county subsidy plan until January 1, 2014, at which
21 date the County of San Mateo shall terminate the plan. Between
22 January 1, 2014, and January 1, 2016, the County of San Mateo
23 shall phase out the individualized county subsidy plan and, as of
24 January 1, 2016, shall implement the state's requirements for
25 subsidies. A child enrolling for the first time for subsidized care
26 in San Mateo County after January 1, 2014, shall not be enrolled
27 in the pilot program established pursuant to this article and is
28 subject to existing state laws and regulations regarding care
29 eligibility and priority.

30 ~~SEC. 99.~~

31 *SEC. 95.* The heading of Article 15.5 (commencing with
32 Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
33 Education Code is amended to read:

34

35 Article 15.5. Recipients of the CalWORKs Program

36

37 ~~SEC. 100.~~

38 *SEC. 96.* Section 8350 of the Education Code is amended to
39 read:

1 8350. (a) It is the intent of the Legislature in enacting this
2 article to ensure that recipients of aid under Chapter 2 (commencing
3 with Section 11200) of Part 3 of Division 9 of the Welfare and
4 Institutions Code, or any successor program, and former recipients
5 who have left aid for employment, are connected as soon as
6 possible to local resources, make stable arrangements for services,
7 and continue to receive subsidized services after they no longer
8 receive aid as long as they require those services and meet the
9 eligibility requirements set forth in Sections 8263 and 8263.1.

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

19 ~~SEC. 101.~~

20 *SEC. 97.* Section 8352 of the Education Code is amended to
21 read:

22 8352. (a) As soon as appropriate, a county welfare department
23 shall refer families needing services to the local resource and
24 referral program funded pursuant to Article 2 (commencing with
25 Section 8210). Resource and referral program staff shall collocate
26 with a county welfare department's case management office for
27 aid under Chapter 2 (commencing with Section 11200) of Part 3
28 of Division 9 of the Welfare and Institutions Code, or any successor
29 program, or arrange other means of swift communication with
30 parents and case managers of this aid. The local resource and
31 referral program shall assist families to establish stable
32 arrangements as soon as possible. These arrangements may include
33 licensed and license-exempt care.

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

- 37 (1) An alternative payment program.
- 38 (2) A resource and referral program.
- 39 (3) A partnership between the alternative payment program and
40 the resource and referral program.

1 (c) The information provided by the program or partnership
2 shall be to assist parents in making informed choices about
3 available types of care that would both offer a safe, caring, and
4 age-appropriate early learning and educational support environment
5 for children, as well as support the parents' work activities,
6 including, but not limited to, information about high-quality early
7 learning and educational support options and resources specified
8 in this subdivision. The program or partnership may ~~utilize~~
9 ~~resources from a certified list posted on the department's Internet~~
10 ~~Web site pursuant to subdivision (b) of Section 8203, or may~~
11 develop local resources that shall include, but are not limited to,
12 the following:

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

15 (2) Information on licensing requirements and procedures for
16 centers and family homes.

17 (3) Trustline requirements for homes and providers exempt from
18 licensure.

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

21 (5) Information on available care subsidies and eligibility
22 requirements.

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

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

30 (d) The program or partnership shall also provide parenting
31 information to parents.

32 (e) A program operating pursuant to this article shall, within
33 two business days of being notified of a revocation or a temporary
34 suspension order for a licensed child day care facility, do both of
35 the following:

36 (1) Terminate payment to the facility.

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

39 (f) A program operating pursuant to this article shall, upon being
40 notified that a licensed child care facility has been placed on

1 probation, provide written notice to each parent utilizing the facility
2 that the facility has been placed on probation and that the parent
3 has the option of selecting a different provider or remaining with
4 the facility without risk of subsidy payments to the provider being
5 terminated. The Legislature urges each agency operating pursuant
6 to this section to provide the written notice required by this
7 subdivision in the primary language of the parent, to the extent
8 feasible.

9 ~~SEC. 102.~~

10 *SEC. 98.* Section 8353 of the Education Code is amended to
11 read:

12 8353. (a) The second stage of child care begins when the
13 county determines that the recipient's work or approved work
14 activity is stable or when a recipient is transitioning off of aid and
15 care is available through a local stage two program. Second stage
16 child care may be provided to a family who elects to receive a
17 lump-sum diversion payment or diversion services under Section
18 11266.5 of the Welfare and Institutions Code when a funded space
19 is not immediately available for the family in third stage. The local
20 stage two agency shall assist in moving families to stage three as
21 quickly as feasible. Former CalWORKs recipients are eligible to
22 receive services in stage one and stage two for up to a total of no
23 more than 24 months after they leave cash aid, or until they are
24 otherwise ineligible within that 24-month period. Family size and
25 income for purposes of determining eligibility and calculating the
26 family fee shall be determined pursuant to Sections 8263 and
27 8263.1. A family leaving cash aid under the CalWORKS program
28 shall receive up to two years of care, if otherwise eligible, as
29 needed to continue the family's employment. The provision of the
30 two-year time limit is not intended to limit eligibility for care under
31 Section 8354.

32 (b) The second stage shall be administered by agencies
33 contracting with the department. These contractors may be either
34 agencies that have an alternative payment contract pursuant to
35 Section 8220.1 or county welfare departments that choose to
36 administer this stage in order to continue to provide services for
37 recipients or former recipients of aid. If the county chooses to
38 contract with the department to provide alternative payment
39 services, this contract shall not displace, or result in the reduction
40 of an existing contract of, a current alternative payment program.

1 ~~SEC. 103.~~

2 *SEC. 99.* Section 8354 of the Education Code is amended to
3 read:

4 8354. (a) The third stage of child care begins when a funded
5 space is available. CalWORKs recipients are eligible for the third
6 stage of child care. Persons who received a lump-sum diversion
7 payment or diversion services and former CalWORKs participants
8 are eligible if they have an income that does not exceed 70 percent
9 of the state median income pursuant to Section 8263.1. The third
10 stage shall be administered by programs contracting with the
11 department. Parents' eligibility for services will be governed by
12 Section 8263 and regulations adopted by the department.

13 (b) In order to move welfare recipients and former recipients
14 from their relationship with county welfare departments to
15 relationships with institutions providing services to working
16 families, it is the intent of the Legislature that families that are
17 former recipients of aid, or are transitioning off aid, receive their
18 assistance in the same fashion as other low-income working
19 families. Therefore, it is the intent of the Legislature that families
20 no longer rely on county welfare departments to obtain subsidies
21 beyond the time they are receiving other services from the welfare
22 department.

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

28 (d) This article does not preclude county welfare departments
29 from operating an alternative payment program under contract
30 with the department to serve families referred by child protective
31 services.

32 ~~SEC. 104.~~

33 *SEC. 100.* Section 8355 of the Education Code is amended to
34 read:

35 8355. Child care during the third stage may be funded with
36 moneys dedicated to current and former recipients of aid under
37 Chapter 2 (commencing with Section 11200) of Part 3 of Division
38 9 of the Welfare and Institutions Code, or any successor program,
39 including the federal funds appropriated to alternative payment
40 program contractors in the 1996–97 fiscal year using the Budget

1 Act's Section 28 process as described in subdivision (b). Nothing
2 shall prevent services provided under stage three from being funded
3 with moneys from other federal or state sources. Nothing in this
4 article shall preclude current and former recipients of aid under
5 Chapter 2 (commencing with Section 11200) of Part 3 of Division
6 9 of the Welfare and Institutions Code, or any successor program,
7 from receiving services pursuant to other provisions of this chapter.

8 ~~SEC. 105.~~

9 *SEC. 101.* Section 8356 of the Education Code is amended to
10 read:

11 8356. It is the intent of the Legislature that the department
12 work with Head Start and California state preschool programs to
13 generate extended-day and evening care for recipients of aid under
14 Chapter 2 (commencing with Section 11200) of Part 3 of Division
15 9 of the Welfare and Institutions Code, or any successor program,
16 through recruiting and training parents to be licensed and
17 license-exempt care providers and shall facilitate connections
18 between Head Start and California state preschool program
19 contractors and certificate administrators, including counties and
20 other alternative payment programs, so that funds available for
21 Sections 8351, 8353, and 8354 cover the cost of this care.

22 ~~SEC. 106.~~

23 *SEC. 102.* Section 8357 of the Education Code is amended to
24 read:

25 8357. (a) The cost of services provided under this article shall
26 be governed by regional market rates. Recipients of services
27 provided pursuant to this article shall be allowed to choose the
28 services of licensed providers or providers who are, by law, not
29 required to be licensed, and the cost of that care shall be reimbursed
30 by counties or agencies that contract with the department if the
31 cost is within the regional market rate. For purposes of this section,
32 "regional market rate" means care costing no more than 1.5 market
33 standard deviations above the mean cost of care for that region.
34 The regional market rate ceilings shall be established at the 85th
35 percentile of the 2005 regional market rate survey for that region.

36 (b) Reimbursement to license-exempt providers shall not exceed
37 60 percent of the family child care home rate established pursuant
38 to subdivision (a), effective July 1, 2011.

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

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

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

7 (f) For purposes of this section, “reimbursement” means a direct
8 payment to the provider of services, including license-exempt
9 providers. If care is provided in the home of the recipient, payment
10 may be made to the parent as the employer, and the parent shall
11 be informed of his or her concomitant legal and financial reporting
12 requirements. To allow time for the development of the
13 administrative systems necessary to issue direct payments to
14 providers, for a period not to exceed six months from the effective
15 date of this article, a county or an alternative payment agency
16 contracting with the department may reimburse the cost of services
17 through a direct payment to a recipient of aid rather than to the
18 provider.

19 (g) Counties and alternative payment programs shall not be
20 bound by the rate limits described in subdivision (a) if there are,
21 in the region, no more than two providers of the type needed by
22 the recipient of services provided under this article.

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

26 (1) A family has an unscheduled but documented need of six
27 hours or more per occurrence, such as the parent’s need to work
28 on a regularly scheduled day off, that exceeds the certified need
29 for care.

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

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

38 ~~SEC. 107.~~

39 *SEC. 103.* Section 8358 of the Education Code is amended to
40 read:

1 8358. (a) The department and the State Department of Social
 2 Services shall design a form for license-exempt providers to use
 3 for certifying health and safety requirements to the extent required
 4 by federal law. Until the form is adopted, the information required
 5 pursuant to Section 11324 of the Welfare and Institutions Code
 6 shall continue to be maintained by the county welfare department
 7 or contractor, as appropriate.

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

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

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

15 (c) (1) County welfare departments and alternative payment
 16 programs shall encourage all providers who are licensed or who
 17 are exempt from licensure and who are providing care under
 18 Section 8351, 8353, or 8354, to secure training and education in
 19 basic child development.

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

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

28 ~~SEC. 108.~~

29 *SEC. 104.* Section 8358.5 of the Education Code is amended
 30 to read:

31 8358.5. Notwithstanding any other confidentiality requirement,
 32 the government or private agency administering subsidized care
 33 services shall share information necessary for the administration
 34 of the programs pursuant to this article and the CalWORKs
 35 program pursuant to Chapter 2 (commencing with Section 11200)
 36 of Part 3 of Division 9 of the Welfare and Institutions Code, for
 37 the time period for which the person receives services.

38 ~~SEC. 109.~~

39 *SEC. 105.* Section 8359.1 of the Education Code is amended
 40 to read:

1 8359.1. (a) It is the intent of the Legislature in enacting this
2 article to provide sufficient funding through an appropriation in
3 the annual Budget Act to fund the estimated cost of providing care
4 for all individuals who are anticipated to need care to participate
5 in the welfare-to-work programs and to transition to work.

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

8 ~~SEC. 110.~~

9 *SEC. 106.* The heading of Article 16 (commencing with Section
10 8360) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
11 Education Code is amended to read:

12
13 Article 16. Early Learning and Educational Support Personnel
14 Qualifications

15
16 ~~SEC. 111.~~

17 *SEC. 107.* Section 8360 of the Education Code is amended to
18 read:

19 8360. (a) Early learning and educational support programs
20 shall include a career ladder for instructional staff. The governing
21 board of each contracting agency shall be encouraged to provide
22 instructional staff and aides with salary increases for the successful
23 completion of early childhood education or child development
24 unit-based coursework and degrees.

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

28 (1) Any person serving as a teacher in an early learning and
29 educational support program providing direct classroom services
30 shall possess a permit or credential issued by the Commission on
31 Teacher Credentialing, including, but not limited to, one of the
32 following:

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

36 (B) A multiple subject credential with an authorization to teach
37 prekindergarten ~~through~~ to grade 12, inclusive, in a self-contained
38 classroom.

39 (C) An elementary or a single subject credential in home
40 economics. Teachers with an elementary or single subject credential

1 must also have completed 12 semester units in early childhood
2 education or child development, or both, or have two years'
3 experience in early childhood education or an early learning and
4 educational support program.

5 (2) Persons who are 18 years of age and older may be employed
6 as aides and may be eligible for salary increases upon the
7 completion of additional semester units in early childhood
8 education or child development.

9 ~~SEC. 112.~~

10 *SEC. 108.* Section 8360.1 of the Education Code is repealed.

11 ~~SEC. 113.~~

12 *SEC. 109.* Section 8360.1 is added to the Education Code, to
13 read:

14 8360.1. Except as waived under Section 8242 and except as
15 stated in Section 18203 of Title 5 of the California Code of
16 Regulations regarding program directors in schoolage community
17 services programs, any entity operating early learning and
18 educational support programs providing direct classroom services
19 to children, pursuant to Article 5 (commencing with Section 8228),
20 at two or more sites, shall employ a program director who possesses
21 a permit or credential issued by the Commission on Teacher
22 Credentialing authorizing supervision of a child care and
23 development program, including, but not limited to:

24 (a) An administrative credential.

25 (b) A children's center supervision permit.

26 (c) A program director permit.

27 (d) A waiver issued by the Superintendent pursuant to Section
28 8244.

29 ~~SEC. 114.~~

30 *SEC. 110.* Section 8360.2 of the Education Code is amended
31 to read:

32 8360.2. Not later than 95 days after the governing board of a
33 public agency sets the date a person employed by that board shall
34 begin service in a position requiring a permit or credential, that
35 person shall file, on or before that date, with the county
36 superintendent of schools a valid permit issued on or before that
37 date, authorizing him or her to serve in a position for which he or
38 she was employed. Upon renewal of that permit, that person shall
39 file that renewal with the county superintendent of schools no later
40 than 95 days after the renewal.

1 ~~SEC. 115.~~

2 *SEC. 111.* The heading of Article 17 (commencing with Section
3 8390) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
4 Education Code is amended to read:

5

6 Article 17. Infant and Toddler Services

7

8 ~~SEC. 116.~~

9 *SEC. 112.* Section 8390 of the Education Code is amended to
10 read:

11 8390. The Superintendent may, with funds appropriated for
12 that purpose, enter into agreements with school districts or
13 community college districts or county superintendents of schools
14 for the establishment and maintenance of early learning and
15 educational support programs for infants, and the training of pupils
16 in their roles as parents, as part of the high school program.

17 ~~SEC. 117.~~

18 *SEC. 113.* Section 8392 of the Education Code is amended to
19 read:

20 8392. Infant early learning and educational support services
21 include, but are not limited to, the following:

22 (a) Supervision and group care, providing for the physical and
23 emotional needs of the infant in a manner that conveys concern
24 and engenders trust.

25 (b) Educational stimulation from the earliest development stages
26 onward.

27 (c) Development and health screening and treatment.

28 ~~SEC. 118.~~

29 *SEC. 114.* Section 8394 of the Education Code is amended to
30 read:

31 8394. (a) In school districts maintaining more than one high
32 school, the governing board, after soliciting the opinions of pupil
33 parents and other interested persons, shall determine the location
34 of the infant center.

35 (b) Infant centers shall be located within high school buildings
36 or within that proximity to high school buildings as would ensure
37 convenient access by pupil parents and other pupils.

38 ~~SEC. 119.~~

39 *SEC. 115.* Section 8395 of the Education Code is amended to
40 read:

1 8395. To the extent funds are available, federal reimbursement
2 shall be claimed for any child receiving services in the infant early
3 learning and educational support program.

4 ~~SEC. 120.~~

5 *SEC. 116.* Section 8397 of the Education Code is amended to
6 read:

7 8397. (a) Notwithstanding any other law, infants whose parent
8 or parents are high school pupils may attend infant centers while
9 their parents attend high school.

10 (b) Notwithstanding any other law, the Superintendent may
11 enter into an agreement pursuant to Section 8390 permitting infants
12 whose parent or parents are pupils in grades 7 and 8 to attend infant
13 centers while their parents attend school.

14 ~~SEC. 121.~~

15 *SEC. 117.* Section 8400 of the Education Code is amended to
16 read:

17 8400. It has come to the attention of the Legislature that:

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

23 (b) All disputes are currently resolved in the already
24 overburdened California courts resulting in a time-consuming and
25 costly process for both the contract agency and the department.
26 Extensive funds have been expended by the department for those
27 purposes.

28 (c) The presence of public and private agencies, small as well
29 as large, in the subsidized care delivery system provides client
30 families with a range of desirable services, and cost-effective
31 service mechanisms.

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

35 ~~SEC. 122.~~

36 *SEC. 118.* Section 8401 of the Education Code is amended to
37 read:

38 8401. It is the intent of the Legislature to authorize an appeal
39 process for the resolution of disputes between the department and
40 local agencies that contract with the department pursuant to Section

1 8262 to provide early learning and educational support services
2 or to furnish property, facilities, personnel, supplies, ~~equipment~~
3 ~~equipment~~, and administrative services.

4 ~~SEC. 123.~~

5 *SEC. 119.* Section 8402 of the Education Code is amended to
6 read:

7 8402. The department shall provide an independent appeal
8 procedure to each contracting agency providing early learning and
9 educational support services pursuant to Section 8262. Before
10 filing an appeal petition, the contracting agency shall have
11 submitted all previously required standard monthly or quarterly
12 reporting forms to the department. The appeal procedure shall be
13 conducted by the Office of Administrative Hearings and shall be
14 provided upon petition of the contracting agency in any of the
15 following circumstances:

16 (a) Termination or suspension of a contracting agency's contract.

17 (b) Denial of more than 4 percent or twenty-five thousand dollars
18 (\$25,000), whichever is less, of a local contracting agency's
19 contracted payment for services schedule.

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

23 ~~SEC. 124.~~

24 *SEC. 120.* Section 8406.7 of the Education Code is amended
25 to read:

26 8406.7. (a) Any agency that evidences chronic fiscal or
27 program violations of a felony nature may have its contract
28 suspended or terminated immediately if there is documented
29 evidence of these violations, and upon review and recommendation
30 of the general counsel of the department. A fiscal or programmatic
31 violation constituting a breach of contract includes one or more
32 of the following:

33 (1) Fraud, or conspiracy to defraud.

34 (2) Misuse of state funds in violation of the State of California
35 Accounting Manual.

36 (3) Embezzlement.

37 (4) Threats of bodily or other harm to state officials.

38 (5) Bribery or attempted bribery of a state official.

39 (6) Unsafe or unhealthy physical environment or facility.

40 (7) Substantiated abuse or molestation of children.

1 (8) Failure to report suspected child abuse or molestation.

2 (9) Theft of supplies, equipment, or food.

3 (b) An agency contract terminated for cause retains appeal rights
4 in accordance with Section 8402.

5 (c) The department shall advise contractors of the provisions
6 of this section within 30 working days of its enactment.

7 ~~SEC. 125.~~

8 *SEC. 121.* Section 8447 of the Education Code is amended to
9 read:

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

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

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

39 (3) Notwithstanding paragraph (1), for the 2006–07 fiscal year,
40 the State Department of Education shall update the family fee

1 schedules by family size, based on the 2005 state median income
2 survey data for a family of four. The family fee schedule used
3 during the 2005–06 fiscal year shall remain in effect. However,
4 the department shall adjust the family fee schedule for families
5 that are newly eligible to receive or will continue to receive services
6 under the new income eligibility limits. The family fees shall not
7 exceed 10 percent of the family’s monthly income.

8 (4) Notwithstanding any other law, the family fee schedule that
9 was in effect for the 2007–08, 2008–09, 2009–10, and 2010–11
10 fiscal years shall be adjusted to reflect the income eligibility limits
11 specified in subdivision (b) of Section 8263.1 for the 2011–12
12 fiscal year, and shall retain a flat fee per family. The revised family
13 fee schedule shall begin at income levels at which families
14 currently begin paying fees. The revised family fees shall not
15 exceed 10 percent of the family’s monthly income. The State
16 Department of Education shall first submit the adjusted fee
17 schedule to the Department of Finance for approval in order to be
18 implemented by July 1, 2011.

19 (5) Notwithstanding any other law, the family fee schedule that
20 was in effect for the 2011–12 fiscal year pursuant to paragraph (4)
21 shall remain in effect for the 2012–13 fiscal year, and shall retain
22 a flat fee per family.

23 (6) It is the intent of the Legislature to fully fund the third stage
24 of child care for former CalWORKs recipients.

25 (c) With respect to subdivision (b), it is the intent of the
26 Legislature that the Department of Finance annually review
27 contract funding terms and conditions for the primary purpose of
28 ensuring consistency between child care contracts and the child
29 care budget. This review shall include evaluating any proposed
30 changes to contract language or other fiscal documents to which
31 the contractor is required to adhere, including those changes to
32 terms or conditions that authorize higher reimbursement rates, that
33 modify related adjustment factors, that modify administrative or
34 other service allowances, or that diminish fee revenues otherwise
35 available for services, to determine if the change is necessary or
36 has the potential effect of reducing the number of full-time
37 equivalent children that may be served.

38 (d) Alternative payment programs, as set forth in Article 3
39 (commencing with Section 8220), shall be subject to the rates
40 established in the Regional Market Rate Survey of California Child

1 Care Providers for provider payments. The State Department of
2 Education shall contract to conduct and complete a ~~Regional~~
3 ~~Market Rate Survey~~ *regional market rate survey* no more
4 frequently than once every two years, consistent with federal
5 regulations, with a goal of completion by March 1.

6 (e) By March 1 of each year, the Department of Finance shall
7 provide to the State Department of Education the ~~State Median~~
8 ~~Income~~ *state median income* amount for a four-person household
9 in California based on the best available data. The State Department
10 of Education shall adjust its fee schedule for providers to reflect
11 this updated state median income; however, no changes based on
12 revisions to the state median income amount shall be implemented
13 midyear.

14 (f) Notwithstanding the June 1 date specified in subdivision (b),
15 changes to the regional market rate schedules and fee schedules
16 may be made at any other time to reflect the availability of accurate
17 data necessary for their completion, provided these documents
18 receive the approval of the Department of Finance. The Department
19 of Finance shall review the changes within 30 working days of
20 submission and the State Department of Education shall resolve
21 conflicts within an additional 30 working day period. Contractors
22 shall be given adequate notice before the effective date of the
23 approved schedules. It is the intent of the Legislature that contracts
24 for services not be delayed by the timing of the availability of
25 accurate data needed to update these schedules.

26 (g) Notwithstanding any other law, no family receiving
27 CalWORKs cash aid may be charged a family fee.

28 ~~SEC. 126.~~

29 *SEC. 122.* Section 8448 of the Education Code is amended to
30 read:

31 8448. As used in this article:

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

34 (1) Whether the financial statements of an audited organization
35 fairly present the financial position and the results of financial
36 operations in accordance with generally accepted accounting
37 principles.

38 (2) Whether the organization has complied with laws and
39 regulations that may have a material effect upon the financial
40 statements.

1 (b) “Public accountants” means certified public accountants, or
2 state licensed public accountants.

3 (c) “Independent auditors” means public accountants who have
4 no direct or indirect relationship with the functions or activities
5 being audited or with the business conducted by any of the officials
6 or contractors being audited.

7 (d) “Generally accepted auditing standards” means the auditing
8 standards set forth in the financial and compliance element of the
9 “Government Auditing Standards” issued by the Comptroller
10 General of the United States and incorporating the audit standards
11 of the American Institute of Certified Public Accountants.

12 (e) “Direct service contract” means any contract with any public
13 or private entity for early learning and educational support
14 programs, resource and referral programs, and programs contracting
15 to provide support services, as defined in Section 8208.

16 (f) “Nonprofit organization” means an organization described
17 in Section 501(c)(3) of the Internal Revenue Code of 1954 which
18 is exempt from taxation under Section 501(a) of that code, or any
19 nonprofit, scientific, or educational organization qualified under
20 Section 23701d of the Revenue and Taxation Code.

21 (g) (1) Annually, there shall be a single independent financial
22 and compliance audit of organizations that contract with the state
23 under a direct service contract. Any such audit shall include an
24 evaluation of the accounting and control systems of the direct
25 service contractor and of the activities by the contractor to comply
26 with the financial requirements of direct service contracts received
27 by the contractor from the state agency. The financial and
28 compliance requirements to be reviewed during the audit shall be
29 those developed and published by the department in consultation
30 with the Department of Finance. Audits carried out pursuant to
31 this section shall be audits of the contractor rather than audits of
32 individual contracts or programs. In the case of any contractor that
33 receives less than twenty-five thousand dollars (\$25,000) per year
34 from any state agency, the audit required by this section shall be
35 conducted biennially, unless there is evidence of fraud or other
36 violation of state law in connection with the direct service contract.
37 The cost of the audit may be included in direct service contracts.

38 (2) The organization receiving funds from the state shall be
39 responsible for obtaining the required financial and compliance
40 audits of the organization and any subcontractors, except for direct

1 service subcontracts and other subcontracts exempt from
2 department review, as agreed to by the Departments of Finance
3 and General Services. The audits shall be made by independent
4 auditors in accordance with generally accepted auditing standards.
5 The audit shall be completed by the 15th day of the fifth month
6 following the end of the contractor's fiscal year. A copy of the
7 required audit shall be filed with the department upon its
8 completion. In the event an audit is not filed, the department shall
9 notify the organization of the contract violation. The audit report
10 filed shall be an integral part of the direct service contract file.

11 (h) (1) Nothing in this article limits the authority of the
12 department to make audits of direct service contracts. However,
13 if independent audits arranged for by direct service contractors
14 meet generally accepted auditing standards, the department shall
15 rely on those audits and any additional audit work shall build upon
16 the work already done.

17 (2) Nothing in this article precludes the state from conducting,
18 or contracting for the conduct of, contract performance audits
19 which are not financial and compliance audits.

20 (3) Nothing in this article limits the state's responsibility or
21 authority to enforce state law or regulations, procedures, or
22 reporting requirements arising pursuant thereto.

23 (4) Nothing in this article limits the responsibility of the
24 department to provide an independent appeal procedure according
25 to the provisions of the Administrative Procedure Act (Chapter 5
26 (commencing with Section 11500) of Part 1 of Division 3 of Title
27 2) of the Government Code.

28 ~~SEC. 127.~~

29 *SEC. 123.* Section 8450 of the Education Code is amended to
30 read:

31 8450. (a) All early learning and educational support contractors
32 are encouraged to develop and maintain a reserve within the child
33 development fund, derived from earned but unexpended funds.
34 Contractors may retain all earned funds. For the purpose of this
35 section, "earned funds" are those for which the required number
36 of eligible service 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 classroom

1 service programs that are funded under contract with the
2 department.

3 (2) Commencing July 1, 2011, a contractor may retain a reserve
4 fund balance, separate from the reserve fund retained pursuant to
5 subdivision (c) or (d), equal to 5 percent of the sum of the
6 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 classroom service
9 programs that are funded under contract with the department.

10 (c) Notwithstanding subdivisions (a) and (b), a contractor may
11 retain a reserve fund balance for a resource and referral program,
12 separate from the balance retained pursuant to subdivision (b) or
13 (d), not to exceed 3 percent of the contract amount. Funds from
14 this reserve account may be expended only by resource and referral
15 programs that are funded under contract with the department.

16 (d) Notwithstanding subdivisions (a) and (b), a contractor may
17 retain a reserve fund balance for alternative payment model and
18 certificate contracts, separate from the reserve fund retained
19 pursuant to subdivisions (b) and (c). Funds from this reserve
20 account may be expended only by alternative payment model and
21 certificate programs that are funded under contract with the
22 department. The reserve amount allowed by this section may not
23 exceed either of the following, whichever is greater:

24 (1) Two percent of the sum of the parts of each contract to which
25 that contractor is a party that is allowed for administration pursuant
26 to Section 8276.7 and that is allowed for supportive services
27 pursuant to the provisions of the contract.

28 (2) One thousand dollars (\$1,000).

29 (e) Each contractor's audit shall identify any funds earned by
30 the contractor for each contract through the provision of contracted
31 services in excess of funds expended.

32 (f) Any interest earned on reserve funds shall be included in the
33 fund balance of the reserve. This reserve fund shall be maintained
34 in an interest-bearing account.

35 (g) Moneys in a contractor's reserve fund may be used only for
36 expenses that are reasonable and necessary costs as defined in
37 subdivision (l) of Section 8208.

38 (h) Any reserve fund balance in excess of the amount authorized
39 pursuant to subdivisions (b), (c), and (d) shall be returned to the
40 department pursuant to procedures established by the department.

1 (i) Upon termination of all early learning and educational
2 support contracts between a contractor and the department, all
3 moneys in a contractor's reserve fund shall be returned to the
4 department pursuant to procedures established by the department.

5 (j) Expenditures from, additions to, and balances in, the reserve
6 fund shall be included in the agency's annual financial statements
7 and audit.

8 ~~SEC. 128.~~

9 *SEC. 124.* Section 8493 of the Education Code is amended to
10 read:

11 8493. It is the intent of the Legislature that funds be
12 appropriated for capital outlay for purposes of providing facilities
13 for services provided pursuant to this chapter, including, but not
14 limited to, all of the following purposes:

15 (a) For the purchase of relocatable facilities by the state for lease
16 to qualifying contracting agencies in areas with no available
17 economically practical or feasible child care and development
18 facilities.

19 (b) For renovation and repair of child care and development
20 facilities in order to comply with state and local health and safety
21 standards and licensing requirements, without unnecessarily
22 increasing the value of the facility.

23 ~~SEC. 129.~~

24 *SEC. 125.* Section 8494 of the Education Code is amended to
25 read:

26 8494. (a) All of the following programs, other than those
27 providing extended care services, shall be eligible to receive a loan
28 for the renovation and repair of facilities used for the program or
29 to lease relocatable facilities to be used for the program:

30 (1) Private nonprofit programs currently, or soon to be, under
31 contract with the department pursuant to Section 8262.

32 (2) Early learning and educational support programs conducted
33 pursuant to Article 4 (commencing with Section 8225).

34 (3) Early learning and educational support programs operated
35 by, or in a facility owned by, a public entity.

36 (4) Early learning and educational support programs conducted
37 pursuant to Article 7.1 (commencing with Section 54740) of
38 Chapter 9 of Part 29.

39 (b) A recipient of a loan pursuant to this section shall document
40 that the renovated facility shall comply with all laws and

1 regulations applicable to child care facilities provided for pursuant
2 to Chapter 3.4 (commencing with Section 1596.70) and Chapter
3 3.5 (commencing with Section 1596.90) of Division 2 of the Health
4 and Safety Code.

5 (c) A recipient of a loan pursuant to this section shall ~~assure~~
6 *ensure* the board that the renovated facility shall be used for
7 purposes of the program for the entire loan period, which shall be
8 determined by the board as follows:

9 (1) For loans equal to or less than thirty thousand dollars
10 (\$30,000), not less than three years.

11 (2) For loans exceeding thirty thousand dollars (\$30,000), the
12 loan period shall increase one year for each additional ten thousand
13 dollars (\$10,000) or part thereof, to a maximum of fifty thousand
14 dollars (\$50,000).

15 (d) Interest on the loan principal shall be charged at a rate equal
16 to the average of the interest rate applied to the last three bond
17 sales pursuant to Chapter 21.6 (commencing with Section 17695)
18 of Part 10.

19 (e) In the event that a recipient ceases to use the renovated
20 facility for purposes of the program before the expiration of the
21 loan period, the board shall collect the entire outstanding balance
22 of the loan, plus interest, notwithstanding the loan period originally
23 set pursuant to subdivision (c), unless the board deems it
24 appropriate to waive repayment at that time.

25 (f) If the renovated facility has been continuously used for
26 purposes of the program for the entire loan period, the board shall
27 waive repayment of the amount of the loan principal, plus interest,
28 at the end of the loan period.

29 ~~SEC. 130.~~

30 *SEC. 126.* Section 8495 of the Education Code is amended to
31 read:

32 8495. (a) There is hereby created in the State Treasury the
33 State Child Care Capital Outlay Fund. Notwithstanding Section
34 13340 of the Government Code, all moneys in the State Child Care
35 Capital Outlay Fund, including moneys deposited in that fund from
36 any source whatsoever, shall be continuously appropriated without
37 regard to fiscal year for expenditure pursuant to this article. The
38 fund shall be administered by the State Allocation Board, which
39 may authorize the expenditure of any moneys in the fund for capital
40 outlay projects pursuant to Section 8277.7 or this article. Funds in

1 the State Child Care Facilities Fund set aside for the purposes of
2 providing extended day care facilities pursuant to Section 8477
3 shall be transferred to the State Child Care Capital Outlay Fund
4 upon the effective date of the act amending this section in the
5 1997–98 Regular Session.

6 (b) The Superintendent shall establish the qualifications to
7 determine the eligibility of agencies, including those that provide
8 preschool and extended day care services, to lease relocatable
9 facilities under this section.

10 (c) Although primary use of relocatable facilities shall be for
11 early learning and educational support programs, including
12 preschool and extended day care programs, those facilities may
13 be used for other purposes if the following conditions are met:

14 (1) The alternative use of the facility does not infringe upon the
15 accessibility of early learning and educational support programs
16 including preschool or extended day care programs.

17 (2) The Superintendent authorizes alternative use as being
18 compatible with early learning and educational support programs,
19 including preschool or extended day care programs.

20 (d) The State Allocation Board, with the advice of the
21 Superintendent, may do all of the following:

22 (1) Establish any procedures and policies in connection with
23 the administration of this section that it deems necessary.

24 (2) Adopt any rules and regulations for the administration of
25 this section requiring those procedures, forms, and information
26 that it deems necessary.

27 (3) Have constructed, furnished, equipped, or otherwise require
28 whatever work is necessary to place relocatable facilities for early
29 learning and educational support services, including preschool and
30 extended day care services where needed.

31 (e) The board shall lease relocatable facilities to qualifying
32 agencies providing early learning and educational support services,
33 including preschool or extended day care services, and shall charge
34 rent of one dollar (\$1) per year. The board shall require lessees to
35 undertake all necessary maintenance, repairs, renewal, and
36 replacement to ensure that a project is at all times kept in good
37 repair, working order, and condition. All costs incurred for this
38 purpose shall be borne by the lessee. Neither the board nor the
39 state shall assume any responsibility for utility services costs other
40 than initial installation costs reimbursed under this article, and the

1 agency shall provide adequate safeguards to protect the state's
2 interest in this regard.

3 (f) The board shall require lessees to insure at their own expense
4 for the benefit of the state, any leased relocatable facility that is
5 the property of the state, against any risks, including liability from
6 the use thereof, in the amounts the board deems necessary to protect
7 the interests of the state. Neither the board nor the state shall
8 assume any responsibility for utility services costs other than initial
9 installation costs reimbursed under this article, and the agency
10 shall provide adequate safeguards to protect the state's interest in
11 this regard.

12 (g) ~~No relocatable~~ *Relocatable* facilities shall *not* be made
13 available to an agency unless the agency furnishes evidence,
14 satisfactory to the board, that the agency has no other facility
15 available for rental, lease, or purchase in the geographic service
16 area that is economically or otherwise feasible.

17 (h) The board shall have prepared for its use, performance
18 specifications for relocatable facilities and bids for their
19 construction that can be solicited from more than one responsible
20 bidder. The board shall from time to time solicit bids from, and
21 award to, the lowest responsible competitive bidder, contracts for
22 the construction or purchase of relocatable facilities that have been
23 approved for lease to eligible agencies that provide early learning
24 and educational support services, including preschool or extended
25 day care services.

26 (i) If at any time the board determines that a ~~lessees'~~ *lessee's*
27 need for particular relocatable facilities that were made available
28 to the lessee pursuant to this article has ceased, the board may take
29 possession of the relocatable facilities and may lease them to other
30 eligible contracting agencies, or, if there is no longer a need for
31 the relocatable facilities, the board may dispose of them to public
32 or private parties in the manner it deems to be in the best interests
33 of the state.

34 (j) If a lessee uses a particular relocatable facility for only a
35 portion of the year, the board may enter into a second lease with
36 a public or private party for the use of that facility for the portion
37 of the year during which the facility would otherwise be unused,
38 in the manner it deems to be in the best interests of the state. The
39 lessee shall be subject to subdivisions (d) and (f).

1 ~~SEC. 131.~~

2 *SEC. 127.* Section 8495.1 of the Education Code is amended
3 to read:

4 8495.1. (a) The State Allocation Board shall establish
5 regulations for the allocation of funds for capital outlay and for
6 the reimbursement of initial utility installation costs for purposes
7 of this chapter. The Superintendent shall establish qualifications
8 for determining the eligibility of agencies providing early learning
9 and educational support services, including preschool and extended
10 day care service, to apply for these funds.

11 (b) Notwithstanding any other law, except for Section 8477,
12 priority in funding of capital outlay grants or relocatables from
13 funds administered pursuant to Section 8277.7 and under this
14 article, shall be determined in the following order:

15 (1) Programs experiencing emergencies as defined by the
16 Superintendent and the State Allocation Board.

17 (2) Facilities lost due to the Class Size Reduction Program
18 (Chapter 6.10 (commencing with Section 52120) of Part 28).

19 (3) Expansion of early learning and educational support services.

20 ~~SEC. 132.~~

21 *SEC. 128.* Section 8498 of the Education Code is amended to
22 read:

23 8498. (a) The State Allocation Board may use up to 5 percent
24 of any appropriation for purposes of this article to provide loans
25 to private nonsectarian early learning and educational support
26 programs not under contract with the department for renovation
27 and repair of existing program facilities, in accordance with this
28 section.

29 (b) The Superintendent shall establish qualifications to determine
30 the eligibility of agencies for loans pursuant to this section.

31 (c) The board, with any necessary assistance from the
32 Superintendent, may do any of the following:

33 (1) Establish procedures and policies in connection with the
34 administration of this section it deems necessary.

35 (2) Adopt rules and regulations for the administration of this
36 section requiring procedure, forms, and information it deems
37 necessary.

38 (d) A recipient of a loan pursuant to this section shall do all of
39 the following:

1 (1) Document that the renovated facility shall comply with all
2 laws and regulations applicable to child care facilities provided
3 for pursuant to Chapter 3.4 (commencing with Section 1596.70)
4 and Chapter 3.5 (commencing with Section 1596.90) of Division
5 2 of the Health and Safety Code.

6 (2) Demonstrate to the satisfaction of the board that it will have
7 sufficient revenues to pay the principal and interest on the loan
8 and to maintain the operation of the child care facility.

9 (e) A recipient of a loan pursuant to this section shall ~~assure~~
10 *ensure* the board that the renovated facility shall be used for
11 purposes of the program for the following periods:

12 (1) For loans equal to or less than thirty thousand dollars
13 (\$30,000), not less than three years from the beginning of the loan
14 period.

15 (2) For loans exceeding thirty thousand dollars (\$30,000), the
16 fixed period of time shall increase one year for each additional ten
17 thousand dollars (\$10,000) or part thereof, to a maximum of fifty
18 thousand dollars (\$50,000).

19 (f) The board shall set the period of the loan for each recipient,
20 up to a maximum of 10 years, based upon the amount of the loan,
21 the recipient's ability to repay the loan, and the length of time the
22 recipient has committed to use the renovated facility for purposes
23 of the program.

24 (g) Interest on the loan principal shall be charged at a rate equal
25 to the average of the interest rate applied to the last three bond
26 sales pursuant to Chapter 21.6 (commencing with Section 17695)
27 of Part 10.

28 (h) In the event that a recipient ceases to use the renovated
29 facility for purposes of the program before the expiration of the
30 period specified pursuant to subdivision (e), the board shall collect
31 the entire outstanding balance of the loan, plus interest,
32 notwithstanding the loan period originally set pursuant to
33 subdivision (f).

34 ~~SEC. 133.~~

35 *SEC. 129.* Section 8499 of the Education Code is amended to
36 read:

37 8499. For purposes of this chapter, the following definitions
38 shall apply:

39 (a) "Block grant" means the block grant contained in Title VI
40 of the Child Care and Development Fund, as established by the

1 federal Personal Responsibility and Work Opportunity
2 Reconciliation Act of 1996 (Public Law 104-193).

3 (b) “Child care” means all licensed early learning and
4 educational support services and license-exempt child care,
5 including, but not limited to, private for-profit programs, nonprofit
6 programs, and publicly funded programs, for all children from
7 birth to 13 years of age, including children with exceptional needs
8 and children from all linguistic and cultural backgrounds.

9 (c) “Child care provider” means a person who provides child
10 care services or represents persons who provide child care services.

11 (d) “Community representative” means a person who represents
12 an agency or business that provides private funding for child care
13 services, or who advocates for child care services through
14 participation in civic or community-based organizations but is not
15 a child care provider and does not represent an agency that
16 contracts with the State Department of Education to provide early
17 learning and educational support services.

18 (e) “Consumer” means a parent or person who receives, or who
19 has received within the past 36 months, child care services.

20 (f) “Department” means the State Department of Education.

21 (g) “Local planning council” means a local early learning and
22 educational support planning council as described in Section
23 8499.3.

24 (h) “Public agency representative” means a person who
25 represents a city, county, city and county, or local educational
26 agency.

27 ~~SEC. 134.~~

28 *SEC. 130.* The heading of Article 2 (commencing with Section
29 8499.3) of Chapter 2.3 of Part 6 of Division 1 of Title 1 of the
30 Education Code is amended to read:

31
32 Article 2. Membership and Funding of Local Planning Councils

33 ~~SEC. 135.~~

34 *SEC. 131.* Section 8499.3 of the Education Code is amended
35 to read:
36

37 8499.3. (a) It is the intent of the Legislature that local planning
38 councils shall provide a forum for the identification of local
39 priorities for early learning and educational support and the

1 development of policies to meet the needs identified within those
2 priorities.

3 (b) The county board of supervisors and the county
4 superintendent of schools shall do both of the following:

5 (1) Select the members of the local planning council. Before
6 making selections pursuant to this subdivision, the county board
7 of supervisors and the county superintendent of schools shall
8 publicize their intention to select the members and shall invite
9 local organizations to submit nominations. In counties in which
10 the county superintendent is appointed by the county board of
11 education, the county board of education may make the
12 appointment or may delegate that responsibility to the
13 superintendent.

14 (2) Establish the term of appointment for the members of the
15 local planning council.

16 (c) (1) The local planning council shall be comprised as follows:

17 (A) Twenty percent of the membership shall be consumers.

18 (B) Twenty percent of the membership shall be providers,
19 reflective of the range of providers in the county.

20 (C) Twenty percent of the membership shall be public agency
21 representatives.

22 (D) Twenty percent of the membership shall be community
23 representatives, who shall not be providers or agencies that contract
24 with the department to provide services.

25 (E) The remaining 20 percent shall be appointed at the discretion
26 of the appointing agencies.

27 (2) The county board of supervisors and the county
28 superintendent of schools shall each appoint one-half of the
29 members. In the case of uneven membership, both appointing
30 entities shall agree on the odd-numbered appointee.

31 (d) Every effort shall be made to ensure that the ethnic, racial,
32 and geographic composition of the local planning council is
33 reflective of the ethnic, racial, and geographic distribution of the
34 population of the county.

35 (e) The county board of supervisors and county superintendent
36 of schools may designate an existing planning council or
37 coordinated child and family services council as the local planning
38 council, as long as it has or can achieve the representation set forth
39 in this section.

1 (f) Upon establishment of a local planning council, the local
2 planning council shall elect a chair and select a staff.

3 (g) Each local planning council shall develop and implement a
4 training plan to provide increased efficiency, productivity, and
5 facilitation of local planning council meetings. This may include
6 developing a training manual, hiring facilitators, and identifying
7 strategies to meet the objectives of the council.

8 (h) ~~No~~A member of a local planning council shall *not* participate
9 in a vote if he or she has a proprietary interest in the outcome of
10 the matter being voted upon.

11 ~~SEC. 136.~~

12 *SEC. 132.* Section 8499.5 of the Education Code is amended
13 to read:

14 8499.5. (a) The department shall allocate funding pursuant to
15 Chapter 2 (commencing with Section 8200) based on the amount
16 of state and federal funding that is available.

17 (b) By May 30 of each year, upon approval by the county board
18 of supervisors and the county superintendent of schools, a local
19 planning council shall submit to the department the local priorities
20 it has identified that reflect all child care needs in the county. To
21 accomplish this, a local planning council shall do all of the
22 following:

23 (1) Conduct an assessment of child care needs in the county no
24 less than once every five years. The department shall define and
25 prescribe data elements to be included in the needs assessment and
26 shall specify the format for the data reporting. The needs
27 assessment shall also include all factors deemed appropriate by
28 the local planning council in order to obtain an accurate picture of
29 the comprehensive child care needs in the county. The factors
30 include, but are not limited to, all of the following:

- 31 (A) The needs of families eligible for subsidized care.
- 32 (B) The needs of families not eligible for subsidized care.
- 33 (C) The waiting lists for programs funded by the department
34 and the State Department of Social Services.
- 35 (D) The need for care for children determined by the child
36 protective services agency to be neglected, abused, or exploited,
37 or at risk of being neglected, abused, or exploited.
- 38 (E) The number of children in families receiving public
39 assistance, including CalFresh benefits, housing support, and

1 Medi-Cal, and assistance from the Healthy Families Program and
2 the Temporary Assistance for Needy Families (TANF) program.

3 (F) Family income among families with preschool or schoolage
4 children.

5 (G) The number of children in migrant agricultural families
6 who move from place to place for work or who are currently
7 dependent for their income on agricultural employment in
8 accordance with subdivision (a) of, and paragraphs (1) and (2) of
9 subdivision (b) of, Section 8231.

10 (H) The number of children who have been determined by a
11 regional center to require services pursuant to an individualized
12 family service plan, or by a local educational agency to require
13 services pursuant to an individualized education program or an
14 individualized family service plan.

15 (I) The number of children in the county by primary language
16 spoken pursuant to the department's language survey.

17 (J) Special needs based on geographic considerations, including
18 rural areas.

19 (K) The number of children needing services by age cohort.

20 (2) Document information gathered during the needs assessment
21 that shall include, but need not be limited to, data on supply,
22 demand, cost, and market rates for each category of child care in
23 the county.

24 (3) Encourage public input in the development of the priorities.
25 Opportunities for public input shall include at least one public
26 hearing during which members of the public can comment on the
27 proposed priorities.

28 (4) Prepare a comprehensive countywide child care plan
29 designed to mobilize public and private resources to address
30 identified needs.

31 (5) Conduct a periodic review of child care programs funded
32 by the department and the State Department of Social Services to
33 determine if identified priorities are being met.

34 (6) Collaborate with subsidized and nonsubsidized providers,
35 county welfare departments, human service agencies, regional
36 centers, job training programs, employers, integrated child and
37 family service councils, local and state children and families
38 commissions, parent organizations, early start family resource
39 centers, family empowerment centers on disability, local resource

1 and referral programs, and other interested parties to foster
2 partnerships designed to meet local child care needs.

3 (7) Design a system to consolidate local child care waiting lists,
4 if a centralized eligibility list is not already in existence.

5 (8) Coordinate part-day programs, including California state
6 preschool and Head Start, with other early learning and educational
7 support services to provide full-day care.

8 (9) Submit the results of the needs assessment and the local
9 priorities identified by the local planning council to the county
10 board of supervisors and the county superintendent of schools for
11 approval before submitting them to the department.

12 (10) Identify at least one, but not more than two, members to
13 serve as part of the department team that reviews and scores
14 proposals for the provision of services funded through contracts
15 with the department. Local planning council representatives may
16 not review and score proposals from the geographic area covered
17 by their own local planning council. The department shall notify
18 each local planning council whenever this opportunity is available.

19 (c) The department shall, in conjunction with the State
20 Department of Social Services and all appropriate statewide
21 agencies and associations, develop guidelines for use by local
22 planning councils to assist them in conducting needs assessments
23 that are reliable and accurate. The guidelines shall include
24 acceptable sources of demographic and child care data, and
25 methodologies for assessing child care supply and demand.

26 (d) The department shall allocate funding within each county
27 in accordance with the priorities identified by the local planning
28 council of that county and submitted to the department pursuant
29 to this section, unless the priorities do not meet the requirements
30 of state or federal law.