

**ASSEMBLY BILL**

**No. 300**

---

---

**Introduced by Assembly Member Caballero**

February 6, 2017

---

---

An act to add and repeal Article 15.4.1 (commencing with Section 8348) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, relating to child care.

LEGISLATIVE COUNSEL'S DIGEST

AB 300, as introduced, Caballero. Child care and development services: individualized county child care subsidy plans: Counties of Monterey, San Benito, and Santa Cruz.

The Child Care and Development Services Act has a purpose of providing a comprehensive, coordinated, and cost-effective system of child care and development services for 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. Existing law requires the Superintendent of Public Instruction to develop standards for the implementation of quality child care programs. Existing law authorizes the Counties of Alameda and San Mateo, as pilot projects, to develop an individualized county child care subsidy plan, as provided.

This bill would authorize, until January 1, 2022, the Counties of Monterey, San Benito, and Santa Cruz to develop individualized county child care subsidy plans, as specified. The bill would require the plans to be submitted by the counties to their local planning council and their respective county board of supervisors for approval, as specified. The bill would require the Early Education and Support Division of the State Department of Education to review and approve or disapprove the plans and any subsequent modifications to the plans. The bill would require

the counties to annually prepare and submit to the Legislature, the State Department of Social Services, and the State Department of Education a report that contains specified information relating to the success of the county’s plan.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Counties of Monterey, San Benito, and Santa Cruz.

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. It is the intent of the Legislature to build a stable,  
2 comprehensive, and adequately funded high-quality early learning  
3 and educational support system for children from birth to five years  
4 of age, inclusive, with alignment and integration into the K–12  
5 education system by strategically using state and federal funds,  
6 and engaging all early care and education stakeholders, including  
7 K–12 education stakeholders, in an effort to provide access to  
8 affordable, high-quality services supported by adequate rates,  
9 integrated data systems, and a strong infrastructure that supports  
10 children and the educators who serve them.

11 SEC. 2. Article 15.4.1 (commencing with Section 8348) is  
12 added to Chapter 2 of Part 6 of Division 1 of Title 1 of the  
13 Education Code, to read:

14  
15 Article 15.4.1. Individualized County Child Care Subsidy Plans  
16 for the Counties of Monterey, San Benito, and Santa Cruz

17  
18 8348. The Counties of Monterey, San Benito, and Santa Cruz  
19 may individually, as pilot projects, develop and implement  
20 individualized county child care subsidy plans. The plans shall  
21 ensure that child care subsidies received by these counties are used  
22 to address local needs, conditions, and priorities of working  
23 families in the respective communities.

24 8348.1. For purposes of this article, “county” means the  
25 Counties of Monterey, San Benito, and Santa Cruz, as individual  
26 entities.

27 8348.2. (a) For purposes of this article, “plan” means an  
28 individualized county child care subsidy plan developed and

1 approved under a pilot project described in Section 8348, which  
2 includes all of the following:

3 (1) An assessment to identify the county’s goal for its subsidized  
4 child care system. The assessment shall examine whether the  
5 current structure of subsidized child care funding adequately  
6 supports working families in the county and whether the county’s  
7 child care 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 child care subsidy system that inhibit  
10 the county from meeting its child care goals. In conducting the  
11 assessment, the county shall consider all of the following:

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

15 (B) The current supply of available subsidized child care.

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

19 (D) The county’s self-sufficiency income level.

20 (E) Income eligibility levels for subsidized child care.

21 (F) Family fees.

22 (G) The cost of providing child care.

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

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

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

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

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

33 (i) Prioritize lowest income families first.

34 (ii) Follow the family fee schedule established pursuant to  
35 Section 8273 for those families who are income eligible, as defined  
36 by Section 8263.1.

37 (iii) Meet local goals that are consistent with the state’s child  
38 care goals.

39 (iv) Identify existing policies that would be affected by the  
40 county’s plan.

1 (v) (I) Authorize an agency that provides child care and  
2 development services in the county through a contract with the  
3 department and either provides direct services or contracts with  
4 licensed providers or centers to apply to the department to amend  
5 existing contracts in order to benefit from the local policy.

6 (II) The department shall approve an application to amend an  
7 existing contract if the plan is modified pursuant to Section 8348.3.

8 (III) The contract of a department contractor that does not elect  
9 to request an amendment to its contract remains operative and  
10 enforceable.

11 (C) The local policy may supersede state law concerning child  
12 care subsidy programs with regard only to the following factors:

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

22 (ii) Fees, including, but not limited to, family fees, sliding scale  
23 fees, and copayments for those families who are not income  
24 eligible, as defined by Section 8263.1.

25 (iii) Reimbursement rates.

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

31 (3) Recognition that all funding sources utilized by direct service  
32 contractors that provide child care and development services in  
33 the county and contractors that contract with licensed providers  
34 and centers are eligible to be included in the county's plan.

35 (4) Establishment of measurable outcomes to evaluate the  
36 success of the plan to achieve the county's child care goals, and  
37 to overcome any barriers identified in the state's child care subsidy  
38 system.

1 (b) Nothing in this section shall be construed to permit the  
2 county to change the regional market rate survey results for the  
3 county.

4 8348.3. (a) The plan shall be submitted to the local planning  
5 council, as defined in subdivision (g) of Section 8499, for approval.  
6 Upon approval of the plan by the local planning council, the Board  
7 of Supervisors of the county shall hold at least one public hearing  
8 on the plan. Following the hearing, if the board votes in favor of  
9 the plan, the plan shall be submitted to the Early Education and  
10 Support Division of the department for review.

11 (b) Within 30 days of receiving the plan, the Early Education  
12 and Support Division shall review and either approve or disapprove  
13 the plan.

14 (c) Within 30 days of receiving a modification to the plan, the  
15 Early Education and Support Division shall review and either  
16 approve or disapprove that modification to the plan.

17 (d) The Early Education and Support Division may disapprove  
18 only those portions of modifications to the plan that are not in  
19 conformance with this article or that are in conflict with federal  
20 law.

21 8348.4. The county shall, by the end of the first fiscal year of  
22 operation under the approved child care subsidy plan, demonstrate,  
23 in the report required pursuant to Section 8348.5, an increase in  
24 the aggregate days a child is enrolled in child care in the county  
25 as compared to the enrollment in the final quarter of the 2016–17  
26 fiscal year.

27 8348.5. (a) The county shall annually prepare and submit to  
28 the Legislature, the State Department of Social Services, and the  
29 department a report that summarizes the success of the county’s  
30 plan, and the county’s ability to maximize the use of funds and to  
31 improve and stabilize child care in the county.

32 (b) A report to be submitted pursuant to subdivision (a) shall  
33 be submitted in compliance with Section 9795 of the Government  
34 Code.

35 8348.6. A participating contractor shall receive an increase or  
36 decrease in funding that the contractor would have received if the  
37 contractor had not participated in the plan.

38 8348.7. This article shall remain in effect only until January  
39 1, 2022, and as of that date is repealed, unless a later enacted statute  
40 that is enacted before January 1, 2022, deletes or extends that date.

1     SEC. 3. The Legislature finds and declares that a special statute  
2 is necessary and that a general statute cannot be made applicable  
3 within the meaning of Section 16 of Article IV of the California  
4 Constitution because of the high cost of living in the Counties of  
5 Monterey, San Benito, and Santa Cruz, resulting in reduced access  
6 to quality child care.

O