

AMENDED IN ASSEMBLY JUNE 14, 2013

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*, *8206*, 8208, 8208.1, 8208.5, 8209, 8210, 8211, 8212, 8212.3, 8213, 8214, 8215, 8216, 8220, 8220.1, 8220.5, 8222, 8223, 8225, 8226, 8227, 8230, ~~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), *and* 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 Sections 8231 and 8240~~ of, to add Sections 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 require the Superintendent to develop standards for the implementation of high-quality early learning and educational support programs based on certain indicia of quality, including, but not limited to, program activities and services that meet the needs of children with exceptional needs and diverse abilities. The bill would require certain information to be given to parents who receive services from resource and referral programs and alternative payment programs. The bill would delete obsolete provisions, make other related and conforming changes, and make nonsubstantive changes.

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

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

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

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

1 SEC. 2. Section 8200 of the Education Code is amended to
2 read:

3 8200. This chapter shall be known and may be cited as the
4 Early Learning and Educational Support Act.

5 SEC. 3. Section 8201 of the Education Code is amended to
6 read:

7 8201. The purpose of this chapter is as follows:

8 (a) To provide a comprehensive, coordinated, and cost-effective
9 system of ~~child care and development~~ *early learning and*
10 *educational support* services for children from infancy to 13 years
11 of age and their parents, including a full range of supervision,
12 health, and support services through full- and part-time programs.

13 (b) To encourage community-level coordination in support of
14 ~~child care and development~~ *early learning and educational support*
15 services.

16 (c) To provide an environment that is healthy and nurturing for
17 all children in ~~child care and development~~ *early learning and*
18 *educational support* programs.

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

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

23 (f) To enhance the cognitive development of children, with
24 particular emphasis upon those children who require special
25 assistance, including bilingual capabilities to attain their full
26 potential.

27 (g) To establish a framework for the expansion of ~~child care~~
28 ~~and development~~ *early learning and educational support* services.

29 (h) To empower and encourage parents and families of children
30 who require ~~child care~~ *early learning and educational support*
31 services to take responsibility to review the safety of the ~~child care~~
32 program or facility and to evaluate the ability of the program or
33 facility to meet the needs of the child.

34 SEC. 4. Section 8202 of the Education Code is amended to
35 read:

36 8202. It is the intent of the Legislature that:

37 (a) All families have access to ~~child care and development~~ *early*
38 *learning and educational support* services, through resource and
39 referral services, where appropriate, regardless of ethnic status,
40 cultural background, or special needs. It is further the intent that

1 ~~subsidized child care and development~~ *early learning and*
 2 *educational support* services be provided to persons meeting the
 3 eligibility criteria established under this chapter to the extent
 4 funding is made available by the Legislature and Congress.

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

7 (c) Families achieve and maintain their personal, social,
 8 economic, and emotional stability through an opportunity to attain
 9 financial stability through employment, while maximizing growth
 10 and development of their children, and enhancing their parenting
 11 skills through participation in ~~child care and development~~ *early*
 12 *learning and educational support* programs.

13 (d) Community-level coordination in support of ~~child care and~~
 14 ~~development~~ *early learning and educational support* services be
 15 encouraged.

16 (e) Families have a choice of programs that allow for maximum
 17 involvement in planning, implementation, operation, and evaluation
 18 of ~~child care and development~~ *early learning and educational*
 19 *support* programs.

20 (f) Parents and families be fully informed of their rights and
 21 responsibilities to evaluate the quality and safety of ~~child care~~
 22 programs, including, but not limited to, their right to inspect child
 23 care licensing files.

24 (g) Planning for expansion of ~~child care and development~~ *early*
 25 *learning and educational support* programs be based on ongoing
 26 local needs assessments.

27 (h) The Superintendent ~~of Public Instruction~~, in providing
 28 funding to ~~child care and development~~ *early learning and*
 29 *educational support* agencies, promote a range of services ~~which~~
 30 *that* will allow parents the opportunity to choose the type of care
 31 most suited to their needs. The program scope may include the
 32 following:

33 (1) Programs located in centers, family day care homes, or in
 34 the child's own home.

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

38 (3) ~~Child care services~~ *Services* provided for infants; *and*
 39 *toddlers, and* preschool; and schoolage children.

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

5 ~~SEC. 3.~~

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

8 8203. The Superintendent shall develop standards for the
9 implementation of high-quality early learning and educational
10 support programs. Indicators of quality shall include, but not be
11 limited to:

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

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

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

19 (d) Family and community engagement.

20 (e) Parent education.

21 (f) Efficient and effective local program administration.

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

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

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

32 (j) Resource and referral services.

33 (k) Alternative payment services.

34 (l) Provision for nutritional needs of children.

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

38 (n) Developmental and health services, as defined in *subdivision*
39 *(m)* of Section 8208, that include referral of children to appropriate
40 agencies for services.

1 ~~SEC. 4.~~

2 *SEC. 6.* Section 8203.5 of the Education Code is amended to
3 read:

4 8203.5. (a) The Superintendent shall ensure that each contract
5 entered into under this chapter to provide early learning and
6 educational support services, or to facilitate the provision of those
7 services, promotes children's school readiness and subsequent
8 school success through the delivery of appropriate high-quality
9 educational services to the children served pursuant to the contract.

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

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

25 ~~SEC. 5.~~

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

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

35 *SEC. 8.* *Section 8205 of the Education Code is amended to*
36 *read:*

37 8205. It is the intent of the Legislature that in providing ~~child~~
38 ~~development~~ *early learning and educational support* programs
39 the Superintendent of ~~Public Instruction~~ give priority to children
40 of families that qualify under applicable federal statutes or

1 regulations as recipients of public assistance and other low-income
2 and disadvantaged families. Federal reimbursement shall be
3 claimed for any child receiving services under this chapter for
4 whom federal funds are available.

5 *SEC. 9. Section 8206 of the Education Code is amended to*
6 *read:*

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

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

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

23 ~~SEC. 6.~~

24 *SEC. 10. Section 8208 of the Education Code is amended to*
25 *read:*

26 8208. As used in this chapter:

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

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

37 (c) “Applicant or contracting agency” means a school district,
38 community college district, college or university, county
39 superintendent of schools, county, city, public agency, private
40 nontax-exempt agency, private tax-exempt agency, or other entity

1 that is authorized to establish, maintain, or operate services
2 pursuant to this chapter. Private agencies and parent cooperatives,
3 duly licensed by law, shall receive the same consideration as any
4 other authorized entity with no loss of parental decisionmaking
5 prerogatives as consistent with the provisions of this chapter.

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

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

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

18 (3) For purposes of reimbursement to providers through an
19 alternative payment-~~services~~ program, attendance includes any of
20 the following:

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

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

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

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

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

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

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

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

4 (j) “Children with exceptional needs” means either of the
5 following:

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

18 (2) Children 3 to 21 years of age, inclusive, who have been
19 determined to be eligible for special education and related services
20 by an individualized education program team according to the
21 special education requirements contained in Part 30 (commencing
22 with Section 56000) of Division 4 of Title 2, and who meet
23 eligibility criteria described in Section 56026 and, Article 2.5
24 (commencing with Section 56333) of Chapter 4 of Part 30 of
25 Division 4 of Title 2, and Sections 3030 and 3031 of Title 5 of the
26 California Code of Regulations. These children shall have an active
27 individualized education program, shall be receiving early
28 intervention services or appropriate special education and related
29 services, and shall be children who require the special attention of
30 adults in a child care setting. These children include children with
31 intellectual disabilities, hearing impairments (including deafness),
32 speech or language impairments, visual impairments (including
33 blindness), serious emotional disturbance (also referred to as
34 emotional disturbance), orthopedic impairments, autism, traumatic
35 brain injury, other health impairments, or specific learning
36 disabilities, who need special education and related services
37 consistent with Section 1401(3)(A) of Title 20 of the United States
38 Code.

39 (k) “Closedown costs” means reimbursements for all approved
40 activities associated with the closing of operations at the end of

1 each growing season for ~~migrant services only~~. *direct early*
2 *learning programs serving migrant populations pursuant to Article*
3 *6 (commencing with Section 8230).*

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

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

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

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

31 (3) Health education and training for children, parents, staff,
32 and providers.

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

35 (n) “~~Direct-classroom~~ *early learning programs*” means early
36 learning and educational support programs that serve children from
37 birth to 13 years of age, including, but not limited to, services for
38 infants and toddlers, preschool age children, schoolage children,
39 and children of migrant agricultural worker families.

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

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

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

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

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

33 (t) “Intergenerational staff” means persons of various
34 generations.

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

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

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

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

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

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

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

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

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

39 (ab) “Site supervisor” means a person who, regardless of his or
40 her title, has operational program responsibility for an early

1 learning and educational support program at a single site. A site
2 supervisor shall hold a permit or credential issued by the
3 Commission on Teacher Credentialing that authorizes supervision
4 of an early learning and educational support program operating in
5 a single site. The Superintendent may waive the requirements of
6 this subdivision if the Superintendent determines that the existence
7 of compelling need is appropriately documented.

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

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

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

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

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

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

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

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

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

- 5 (1) November 1 of the 2012–13 fiscal year.
- 6 (2) October 1 of the 2013–14 fiscal year.
- 7 (3) September 1 of the 2014–15 fiscal year and each fiscal year
 8 thereafter.

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

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

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

20 ~~SEC. 7:~~

21 *SEC. 11.* Section 8208.1 of the Education Code is amended to
 22 read:

23 8208.1. Care exempt from licensure is a valid parental choice
 24 of care for all programs provided for under this part, and no
 25 provision of this part shall be construed to exclude or discourage
 26 the exercise of that choice.

27 ~~SEC. 8:~~

28 *SEC. 12.* Section 8208.5 of the Education Code is amended to
 29 read:

30 8208.5. Notwithstanding any other law, early learning and
 31 educational support programs, as defined in Section 8208, shall
 32 include, but not be limited to, respite child care.

33 ~~SEC. 9:~~

34 *SEC. 13.* Section 8209 of the Education Code is amended to
 35 read:

36 8209. (a) If a state of emergency is declared by the Governor,
 37 the Superintendent may waive any requirements of this code or
 38 regulations adopted pursuant to this code relating to early learning
 39 and educational support programs operated pursuant to this chapter
 40 only to the extent that enforcement of the regulations or

1 requirements would directly impede disaster relief and recovery
2 efforts or would disrupt the current level of service in early learning
3 and educational support programs.

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

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

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

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

23 ~~SEC. 10.~~

24 *SEC. 14.* Section 8210 of the Education Code is amended to
25 read:

26 8210. Funds appropriated for the purpose of this chapter may
27 be used for resource and referral programs that may be operated
28 by public or private nonprofit entities.

29 ~~SEC. 11.~~

30 *SEC. 15.* Section 8211 of the Education Code is amended to
31 read:

32 8211. It is the intent of the Legislature that one hundred eighty
33 thousand dollars (\$180,000) be appropriated each fiscal year for
34 allocation to resource and referral agencies operated by local
35 educational agencies for the purpose of the resources and referral
36 program set forth in this article.

37 ~~SEC. 12.~~

38 *SEC. 16.* Section 8212 of the Education Code is amended to
39 read:

1 8212. For purposes of this article, resource and referral
2 programs, established to serve a defined geographic area, shall
3 provide the following services:

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

13 The resource file shall include, but not be limited to, the
14 following information:

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

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

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

35 Each resource and referral program shall publicize its services
36 through all available media sources, agencies, and other appropriate
37 methods.

38 (2) (A) Provision of information to any person who requests a
39 referral of his or her right to view the licensing information of a
40 licensed child day care facility required to be maintained at the

1 facility pursuant to Section 1596.859 of the Health and Safety
2 Code and to access any public files pertaining to the facility that
3 are maintained by the State Department of Social Services
4 Community Care Licensing Division.

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

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

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

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

21 (2) Ages of children served.

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

23 (4) Special time category, such as nights, weekends, and swing
24 shift.

25 (5) Reason that the care is needed.

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

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

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

35 (2) Information and resources that help existing providers to
36 maximize their ability to serve the children and parents of their
37 community.

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

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

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

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

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

16 ~~SEC. 13.~~

17 *SEC. 17.* Section 8212.3 of the Education Code is amended to
18 read:

19 8212.3. (a) In addition to the services described in Section
20 8212, a resource and referral program, established to serve a
21 defined geographic area, may provide short-term respite child care.
22 “Short-term respite care,” for purposes of this article, means
23 temporary child care services to do any of the following:

24 (1) Provide services to families identified and referred by child
25 protective agencies.

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

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

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

35 (b) Pursuant to the delivery of short-term respite child care
36 services, priority shall be given for the provision of services to
37 families identified and referred by child protective agencies, to
38 relieve the stress caused by child abuse, neglect, or exploitation,
39 or the risks thereof, as described in paragraphs (1) and (2) of
40 subdivision (a). Priority shall be given to assist parents and to

1 provide temporary relief to parents, as described in paragraphs (3)
2 and (4) of subdivision (a) to the extent that resources are available.

3 ~~SEC. 14.~~

4 *SEC. 18.* Section 8213 of the Education Code is amended to
5 read:

6 8213. All resource and referral services shall be provided in a
7 manner that is responsive to the diverse cultural, linguistic, and
8 economic needs of a defined geographic area of service.

9 ~~SEC. 15.~~

10 *SEC. 19.* Section 8214 of the Education Code is amended to
11 read:

12 8214. (a) Resource and referral services shall be provided to
13 all persons requesting services and to all types of eligible providers,
14 regardless of income level or other eligibility criteria. In addition
15 to the services prescribed by this section, resource and referral
16 may provide a wide variety of parent and provider support and
17 educational services.

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

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

25 (c) The information provided by the program or partnership
26 shall be to assist parents in making informed choices about
27 available types of care that would both offer a safe, caring, and
28 age-appropriate early learning and educational support environment
29 for children, as well as support the parents' work activities,
30 including, but not limited to, information about high-quality early
31 learning and educational support options and resources specified
32 in this subdivision. The program or partnership *may utilize*
33 *resources from a list posted on the department's Internet Web site*
34 *pursuant to subdivision (c) of Section 8206 if this list is available.*
35 *If the department does not create a list of resources pursuant to*
36 *subdivision (c) of Section 8206, the program or partnership may*
37 *develop local resources that resources. These resources shall*
38 *include, but are not limited to, 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 *child care* centers and family *child care* 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. 16.~~

19 *SEC. 20.* 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. 17.~~

8 *SEC. 21.* 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~~ *program providing direct early*
12 *learning services* or an alternative payment program and a resource
13 and referral program shall provide at least four referrals, at least
14 one of which shall be a provider over which the agency has no
15 fiscal or operational control, as well as information to a family on
16 the family's ability to choose a license exempt provider.

17 ~~SEC. 18.~~

18 *SEC. 22.* 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. 19.~~

2 *SEC. 23.* 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~~ *consolidation* of contracts that serve special
32 populations, including, but not limited to, migrant populations.
33 Contractors shall continue to serve the same populations specified
34 in their 2013–14 contracts, unless they receive prior approval from
35 the department.

36 ~~SEC. 20.~~

37 *SEC. 24.* Section 8220.3 is added to the Education Code, to
38 read:

39 8220.3. ~~Alternative-Commencing with the 2014–15 fiscal year~~
40 ~~and each fiscal year thereafter, alternative payment contractors~~

1 *programs* serving only migrant populations pursuant to a 2013–14
2 contract shall ~~only~~ enroll *only* children of migrant agricultural
3 worker families, as defined in subdivision (a) of Section 8231, that
4 move from place to place for the purpose of agricultural work.

5 ~~SEC. 21.~~

6 *SEC. 25.* Section 8220.5 of the Education Code is amended to
7 read:

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

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

16 ~~SEC. 22.~~

17 *SEC. 26.* Section 8220.6 is added to the Education Code, to
18 read:

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

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

26 (b) The information provided by the program or partnership
27 shall be to assist parents in making informed choices about
28 available types of care that would both offer a safe, caring, and
29 age-appropriate early learning and educational support environment
30 for children, as well as support the parents' work activities,
31 including, but not limited to, information about high-quality early
32 learning and educational support options and resources specified
33 in this subdivision. The program or partnership may *utilize*
34 *resources from a list posted on the department's Internet Web site*
35 *pursuant to subdivision (c) of Section 8206 if this list is available.*
36 *If the department does not create a list of resources pursuant to*
37 *subdivision (c) of Section 8206, the program or partnership may*
38 *develop local ~~resources that~~ resources. These resources shall*
39 *include, but are not limited to, the following:*

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

3 (2) Information on licensing requirements and procedures for
4 *child care* centers and family *child care* homes.

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

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

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

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

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

18 (c) The program or partnership shall also provide parenting
19 information to parents.

20 ~~SEC. 23:~~

21 *SEC. 27.* Section 8222 of the Education Code is amended to
22 read:

23 8222. (a) Payments made by alternative payment programs
24 shall not exceed the applicable market rate ceiling. Alternative
25 payment programs may expend more than the standard
26 reimbursement rate for a particular child. However, the aggregate
27 payments for services purchased by the agency during the contract
28 year shall not exceed the assigned reimbursable amount as
29 established by the contract for the year. An agency shall not make
30 payments in excess of the rate charged to full-cost families. This
31 section does not preclude alternative payment programs from using
32 the average daily enrollment adjustment factor for children with
33 exceptional needs as provided in Section 8265.5.

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

38 (c) An alternative payment program shall reimburse a licensed
39 provider for care of a subsidized child based on the rate charged
40 by the provider to nonsubsidized families, if any, for the same

1 services, or the rates established by the provider for prospective
2 nonsubsidized families. A licensed provider shall submit to the
3 alternative payment program a copy of the provider's rate sheet
4 listing the rates charged, and the provider's discount or scholarship
5 policies, if any, along with a statement signed by the provider
6 confirming that the rates charged for a subsidized child are equal
7 to or less than the rates charged for a nonsubsidized child.

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

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

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

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

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

32 (i) The department shall develop regulations for addressing
33 discrepancies in the provider rate levels identified through the rate
34 verification process in subdivision (h).

35 ~~SEC. 24.~~

36 *SEC. 28.* Section 8223 of the Education Code is amended to
37 read:

38 8223. The reimbursement for alternative payment programs
39 shall include the cost of care paid to providers plus the
40 administrative and support services costs of the alternative payment

1 program. The total cost for administration and support services
 2 shall not exceed an amount equal to 17.5 percent of the total
 3 contract amount. The administrative costs shall not exceed the
 4 costs allowable for administration under federal requirements.

5 ~~SEC. 25.~~

6 *SEC. 29.* Section 8225 of the Education Code is amended to
 7 read:

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

15 ~~SEC. 26.~~

16 *SEC. 30.* Section 8226 of the Education Code is amended to
 17 read:

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

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

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

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

1 (d) A program operating pursuant to this article shall, within
2 two business days of being notified of a revocation or a temporary
3 suspension order for a licensed child day care facility, do both of
4 the following:

5 (1) Terminate payment to the facility.

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

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

18 ~~SEC. 27.~~

19 *SEC. 31.* Section 8227 of the Education Code is amended to
20 read:

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

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

39 (c) Each centralized eligibility list shall include all of the
40 following:

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

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

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

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

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

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

28 ~~SEC. 28.~~

29 *SEC. 32.* Article 5 (commencing with Section 8228) is added
 30 to Chapter 2 of Part 6 of Division 1 of Title 1 of the Education
 31 Code, to read:

32

33 Article 5. ~~Direct-Classroom~~ *Early Learning Services*

34

35 8228. (a) The Superintendent shall administer early learning
 36 and educational support programs through ~~direct-classroom~~ *early*
 37 *learning* services, including, but not limited to, ~~direct-classroom~~
 38 *early learning* programs pursuant to Article 6 (commencing with
 39 Section 8230) and Article 7 (commencing with Section 8235),
 40 family child care home education networks pursuant to Article 8.5

1 (commencing with Section 8245), and services for children with
2 special needs pursuant to ~~Article 9 (commencing with Section~~
3 ~~8250)~~. *subdivision (d) of Section 8250.*

4 (b) Contractors providing ~~direct-classroom~~ *early learning*
5 services pursuant to this article shall comply with the administrative
6 requirements set forth in Article 10 (commencing with Section
7 8255).

8 8228.1. The Superintendent, with funds appropriated for this
9 purpose, shall administer programs through ~~direct-classroom~~ *early*
10 *learning* services. These programs shall include, but not be limited
11 to, all of the following:

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

13 (b) Supervision.

14 (c) Parenting education and parent engagement.

15 (d) Developmental and health services.

16 (e) Nutrition.

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

20 (g) Training, professional development, and career advancement
21 opportunities, documentation of which shall be provided to the
22 department.

23 ~~8228.2. (a) Subdivision (b) shall apply to the award of funding~~
24 ~~for direct classroom services programs if upon appropriation by~~
25 ~~the Legislature moneys are made available for that purpose in any~~
26 ~~fiscal year.~~

27 ~~(b) (1) When funding is made available, priority for funding~~
28 ~~shall be given to programs operating classrooms located in the~~
29 ~~attendance area of elementary schools ranked in deciles 1 to 3,~~
30 ~~inclusive, of the Academic Performance Index pursuant to Section~~
31 ~~52056.~~

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

37 ~~(3) In awarding contracts for expansion, the Superintendent~~
38 ~~shall take into account the geographic criteria established pursuant~~
39 ~~to Section 8279.2, and the headquarters preferences and eligibility~~

1 ~~criteria relating to fiscal or programmatic noncompliance~~
2 ~~established pursuant to Section 8261.~~

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

6 ~~SEC. 29.~~

7 *SEC. 33.* The heading of Article 6 (commencing with Section
8 8230) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
9 Education Code is amended to read:

10

11 Article 6. Services for Migrant Populations

12

13 ~~SEC. 30.~~

14 *SEC. 34.* Section 8230 of the Education Code is amended to
15 read:

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

22 ~~SEC. 31.~~ Section 8231 of the Education Code is amended to
23 read:

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

30 ~~(b) For purposes of this article, priority for enrollment shall be~~
31 ~~given to children of migrant agricultural worker families in the~~
32 ~~following priority order:~~

33 ~~(1) The family moves from place to place.~~

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

37 ~~(3) The family resides in a rural agricultural area and is~~
38 ~~dependent upon seasonal agricultural work.~~

1 ~~(4) Eligibility and priority for services for the federally funded~~
2 ~~Migrant Child Development Program shall be in accordance with~~
3 ~~the applicable federal regulations.~~

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

10 *SEC. 35. Section 8231 of the Education Code is amended to*
11 *read:*

12 8231. (a) For the purpose of this article, a “migrant agricultural
13 worker family” means a family that has earned at least 50 percent
14 of its total gross income from employment in fishing, agriculture,
15 or agriculturally related work during the 12-month period
16 immediately preceding the date of application for child care and
17 development services.

18 (b) Children of migrant agricultural worker families shall be
19 enrolled in child development programs on the basis of the
20 following priorities:

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

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

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

27 (4) Eligibility and priority for services for the federally funded
28 ~~Migrant Child Development Program~~ *migrant child care and*
29 *development program* shall be in accordance with the applicable
30 federal regulations.

31 *(c) This section shall remain in effect only until July 1, 2014,*
32 *and as of that date is repealed, unless a later enacted statute, that*
33 *is enacted before July 1, 2014, deletes or extends that date.*

34 *SEC. 36. Section 8231 is added to the Education Code, to read:*

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

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

- 4 (1) The family moves from place to place.
- 5 (2) The family has qualified under paragraph (1) within the
6 past five years and is currently dependent for its income on
7 agricultural employment, but is currently settled near agricultural
8 areas.
- 9 (3) The family resides in a rural agricultural area and is
10 dependent upon seasonal agricultural work.
- 11 (4) Eligibility and priority for services for the federally funded
12 migrant child care and development program shall be in
13 accordance with the applicable federal regulations.

14 (c) If a contractor serving migrant populations, upon prioritizing
15 migrant families for enrollment and complying with this section,
16 is unable to reach the anticipated level of enrollment as provided
17 in the contract for services, the contractor may use any funds
18 remaining to enroll children from otherwise eligible families
19 pursuant to the priorities set forth in Section 8263.

20 (d) This section is operative on July 1, 2014.

21 ~~SEC. 32.~~

22 SEC. 37. Section 8232 of the Education Code is amended to
23 read:

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

- 27 (a) Social services.
 - 28 (1) Bilingual liaison between migrant parents and the center or
29 family child care home, or both.
 - 30 (2) Liaison between the agency and the relevant community
31 agencies and organizations, including health and social services.
 - 32 (3) Identification and documentation of family needs and
33 followup referrals as appropriate.

- 34 (b) Staffing.
 - 35 (1) Bilingual health personnel shall be available to each program
36 site of an agency that serves migrant populations.
 - 37 (2) Professional and nonprofessional staff shall reflect the
38 linguistic and cultural background of the children being served.
 - 39 (3) Whenever possible, migrants shall be recruited, trained, and
40 hired in *direct* early learning ~~and educational support~~ programs.

1 Documentation of training and career ladder opportunities and of
2 recruitment and hiring efforts shall be provided to the department.
3 Staff training shall include principles and practices of early learning
4 and educational support for the age groups of children being served.

5 (c) Developmental and health services in agencies that serve
6 migrant populations shall include health and dental screening and
7 followup treatment. Health records for all migrant children shall
8 follow the child.

9 ~~SEC. 33.~~

10 *SEC. 38.* Section 8233 of the Education Code is amended to
11 read:

12 8233. (a) Cost for migrant population services may exceed
13 the standard reimbursement rate established by the Superintendent.
14 In no case shall the reimbursement exceed the cost of the services.
15 State-funded programs may be eligible for Chapter I federal funds
16 to supplement state funding. These funds shall not be contingent
17 upon the provision of additional child days or enrollment.

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

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

27 ~~SEC. 34.~~

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

31

32 Article 7. California State Preschool Program Services

33

34 ~~SEC. 35.~~

35 *SEC. 40.* Section 8235 of the Education Code is amended to
36 read:

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

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

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

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

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

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

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

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

38 (h) Federal Head Start funds used to provide services to families
39 receiving California state preschool services shall be deemed
40 nonrestricted funds.

1 ~~SEC. 36.~~

2 *SEC. 41.* Section 8236 of the Education Code is amended to
3 read:

4 8236. (a) (1) Contractors providing California state preschool
5 program services pursuant to this article shall give first priority to
6 three- or four-year-old neglected or abused children who are
7 recipients of child protective services, or who are at risk of being
8 neglected, abused, or exploited upon written referral from a legal,
9 medical, or social service agency. If an agency is unable to enroll
10 a child in this first priority category, the agency shall refer the
11 child's parent or guardian to local resource and referral services
12 so that services for the child can be located.

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

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

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

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

38 (2) In awarding contracts for expansion pursuant to this
39 subdivision, the Superintendent, after taking into account the
40 geographic criteria established pursuant to Section 8279.3, and the

1 headquarters preferences and eligibility criteria relating to fiscal
2 or programmatic noncompliance established pursuant to Section
3 8261, shall give priority to applicant agencies that, in expending
4 the expansion funds, will be serving the highest percentage of
5 four-year-old children.

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

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

18 ~~SEC. 37.~~

19 *SEC. 42.* Section 8236.1 of the Education Code is amended to
20 read:

21 8236.1. The department shall annually monitor funding used
22 in ~~direct-classroom~~ *early learning* programs for infants and
23 toddlers, and hours of service provided in California state preschool
24 program services, and shall annually report to the Department of
25 Finance and to the Legislature a statewide summary identifying
26 the estimated funding used for infants and toddlers, and the number
27 of preschool age children receiving part-day preschool and
28 wraparound services, as defined in subdivision (f) of Section 8239.
29 The annual report shall include a comparison to the prior year on
30 a county-by-county basis.

31 ~~SEC. 38.~~

32 *SEC. 43.* Section 8238.4 of the Education Code is amended to
33 read:

34 8238.4. (a) A family literacy supplemental grant shall be made
35 available and distributed to qualifying California state preschool
36 classrooms, as determined by the Superintendent, at a rate of two
37 thousand five hundred dollars (\$2,500) per class. The
38 Superintendent shall distribute the family literacy supplemental
39 grant funds according to the following priorities:

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

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

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

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

18 ~~SEC. 39.~~

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

21 8239. The Superintendent shall encourage state preschool
22 program applicants or contracting agencies to offer full-day
23 services through a combination of part-day preschool slots and
24 wraparound services. In order to facilitate a full day of services,
25 all of the following shall apply:

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

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

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

39 (d) Three- and four-year-old children are eligible for wraparound
40 services to supplement the part-day preschool services if the family

1 meets the eligibility criteria specified in paragraph (1) of
2 subdivision (a) of Section 8263, and the parents meet at least one
3 of the criteria specified in paragraph (2) of subdivision (a) of
4 Section 8263.

5 (e) Fees shall be assessed and collected for families with children
6 in part-day preschool programs, or families receiving wraparound
7 services, or both, pursuant to subdivisions (g) and (h) of Section
8 8263.

9 (f) For purposes of this section, “wraparound services” means
10 additional funding beyond the part-day California state preschool
11 program services provided pursuant to subdivision (a), to meet a
12 family’s need for services while the parent participates in an
13 approved work or work-related activity. These services shall be
14 provided consistent with the early learning and educational support
15 programs provided pursuant to Article 1 (commencing with Section
16 8200) and Article 5 (commencing with Section 8228).

17 ~~SEC. 40.~~

18 *SEC. 45.* The heading of Article 8 (commencing with Section
19 8240) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
20 Education Code is amended to read:

21
22 Article 8. ~~Direct-Classroom~~ *Early Learning* Programs
23

24 ~~SEC. 41.~~

25 *SEC. 46.* Section 8240 of the Education Code is amended to
26 read:

27 8240. (a) The Superintendent, with funds appropriated for this
28 purpose, shall administer general-child care and development *early*
29 *learning and educational support* programs.

30 ~~General-child care and development~~ *early learning and*
31 *educational support* programs shall include:

- 32 (1) Age and developmentally appropriate activities for children.
- 33 (2) Supervision.
- 34 (3) Parenting education and parent involvement.
- 35 (4) Social services that include, but are not limited to,
- 36 identification of child and family needs and referral to appropriate
- 37 agencies.
- 38 (5) Health services.
- 39 (6) Nutrition.

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

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

7 ~~SEC. 42.~~

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

9 8240. (a) ~~Direct-classroom~~ *early learning* programs shall serve
10 children from birth to 13 years of age, including, but not limited
11 to, services for all of the following:

- 12 (1) Infants and toddlers.
- 13 (2) Preschool age children.
- 14 (3) Schoolage children.
- 15 (4) Migrant children.

16 (b) The Superintendent shall streamline the delivery of direct
17 ~~classroom~~ *early learning* programs through the ~~simplification~~
18 *consolidation* of contracts that serve children described in
19 subdivision (a). This shall include, but is not limited to, services
20 for both of the following special populations:

- 21 (1) Preschool age children.
- 22 (2) Migrant children.

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

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

28 (3) Contractors that provide services to California state preschool
29 program populations shall comply with Article 7 (commencing
30 with Section 8235).

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

32 ~~SEC. 43.~~

33 *SEC. 48.* Section 8244 of the Education Code is amended to
34 read:

35 8244. (a) (1) Any entity operating programs funded pursuant
36 to this chapter that provide ~~direct-classroom~~ *early learning* services
37 to children at two or more sites, including through more than one
38 contract or subcontract funded pursuant to this chapter, shall
39 employ a program director.

1 (2) Programs providing direct services to children, for the
2 purposes of this section, are ~~direct-classroom~~ *early learning*
3 ~~services programs~~ pursuant to Article 5 (commencing with Section
4 8228), migrant services pursuant to Article 6 (commencing with
5 Section 8230), California state preschool programs pursuant to
6 Article 7 (commencing with Section 8235), ~~direct-classroom~~ *early*
7 *learning* services for children ~~with special-needs programs~~ pursuant
8 ~~to Article 9 (commencing with Section 8250); pursuant to~~
9 *subdivision (d) of Section 8250*, infant care and development
10 services programs pursuant to Article 17 (commencing with Section
11 8390), and any of these programs operated through family child
12 care homes.

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

15 (A) “Administrative responsibility” means awareness of the
16 financial and business circumstances of the program, and, in
17 appropriate cases, supervision of administrative and support
18 personnel and the knowledge and authority to direct or modify
19 administrative practices and procedures to ensure compliance to
20 administrative and financial standards imposed by law.

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

25 (C) “Programmatic responsibility” means overall supervision
26 of curriculum and instructional staff, including instructional aides,
27 and the knowledge and authority to direct or modify program
28 practices and procedures to ensure compliance to applicable quality
29 and health and safety standards imposed by law.

30 (2) Administrative and programmatic responsibility also includes
31 the responsibility to act as the representative for the early learning
32 and educational support program to the department. With respect
33 to programs operated through family child care homes,
34 administrative and programmatic responsibility includes ensuring
35 that quality services are provided in the family child care homes.

36 (c) The program director also may serve as the site supervisor
37 at one of the sites, provided that he or she both fulfills the duties
38 of a day care center director, as set forth in Section 101215.1 of
39 Title 22 of the California Code of Regulations, and meets the

1 qualifications for a site supervisor as set forth in subdivision (ab)
2 of Section 8208.

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

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

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

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

19 ~~SEC. 44.~~

20 *SEC. 49.* The heading of Article 9 (commencing with Section
21 8250) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
22 Education Code is amended to read:

23

24 Article 9. Services for Children with Special Needs

25

26 ~~SEC. 45.~~

27 *SEC. 50.* Section 8250 of the Education Code is amended to
28 read:

29 8250. (a) The Superintendent shall ensure that eligible children
30 with exceptional needs are given equal access to all early learning
31 and educational support programs. Available federal and state
32 funds for children with exceptional needs above the standard
33 reimbursement amount shall be used to assist agencies in
34 developing and supporting appropriate programs for these children.

35 (b) To provide children with exceptional needs with additional
36 access to early learning and educational support programs, the
37 Superintendent shall establish alternate appropriate placements,
38 such as self-contained programs and innovative programs using
39 the least restrictive environment. These programs shall be started
40 as expansion funds become available and shall be expanded

1 throughout the implementation of the plan. The Superintendent
2 shall utilize existing program models and input from program
3 specialists to develop new program criteria and guidelines for
4 programs serving children with exceptional needs. These programs
5 may serve children with exceptional needs up to 21 years of age.

6 (c) Any child with exceptional needs served in early learning
7 and educational support programs shall be afforded all rights and
8 protections guaranteed in state and federal laws and regulations
9 for individuals with exceptional needs.

10 (d) Notwithstanding any other provision of this chapter, the
11 Superintendent may develop unique reimbursement rates for, and
12 make reimbursements to, early learning and educational support
13 programs that received state funding for the 1980–81 fiscal year
14 and serve severely disabled children, as defined in subdivision (z)
15 of Section 8208, when all of the following conditions exist:

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

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

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

22 (e) The Superintendent shall include providers in all personnel
23 development for persons providing services for children with
24 exceptional needs.

25 ~~SEC. 46.~~

26 *SEC. 51.* Section 8250.5 of the Education Code is amended to
27 read:

28 8250.5. A contractor providing services pursuant to a direct
29 ~~classroom~~ *early learning* services ~~contract, a migrant services~~
30 ~~contract, contract~~ or an alternative payment ~~child care~~ contract is
31 subject to the requirements of the federal Americans with
32 Disabilities Act (42 U.S.C. Sec. 12101 et seq.).

33 ~~SEC. 47.~~

34 *SEC. 52.* Section 8251 of the Education Code is amended to
35 read:

36 8251. (a) All ~~direct classroom services programs~~ *contractors*
37 *administering direct early learning services* shall include plans or
38 programs, or both, for the care of the children when they are sick.
39 These plans shall be age appropriate and parents shall be included
40 in the planning and evaluation. The Superintendent shall

1 disseminate information regarding effective sick child care models
2 to all early learning and educational support programs.

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

5 ~~SEC. 48.~~

6 *SEC. 53.* Section 8252 of the Education Code is amended to
7 read:

8 8252. (a) The department and the local county welfare
9 department shall enter into contracts that establish the procedures
10 for serving and referring a child in need of care as part of the
11 provision of protective services pursuant to Chapter 5 (commencing
12 with Section 16500) of Part 4 of Division 9 of the Welfare and
13 Institutions Code. The department, in consultation with the State
14 Department of Social Services, may contract with another
15 appropriate community agency that provides services or referrals,
16 or both, for the prevention or intervention of child abuse or neglect
17 if no such contract for child care services exists between the
18 department and the county welfare department.

19 (b) The contracts shall specify the resource and referral program
20 or operating agency or agencies providing early learning and
21 educational support pursuant to this chapter in the county that the
22 local contracting agency shall contact to secure care for a child
23 needing protective services. If an operating agency is unable to
24 enroll the child, the local contracting agency described in
25 subdivision (a) with the assistance of the providers of local
26 resources and referral services shall locate services for the family.
27 Payments for these located services in the absence of other funds
28 shall be made by the local contracting agency.

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

32 ~~SEC. 49.~~

33 *SEC. 54.* Section 8255 of the Education Code is amended to
34 read:

35 8255. (a) The Legislature finds and declares that the
36 effectiveness of early learning and educational support programs
37 can be increased through improved state administration, technical
38 assistance to provider agencies, and monitoring.

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

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

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

8 (3) That better criteria be developed for the awarding,
9 evaluating, and renewal of early learning and educational support
10 contracts.

11 (4) That improvements be made in the method of reimbursing
12 providers.

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

15 ~~SEC. 50.~~

16 *SEC. 55.* Section 8257 of the Education Code is amended to
17 read:

18 8257. The department shall do all of the following in
19 administering this chapter:

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

24 (b) Provide 90 days' written notification to any contractor whose
25 agreement is being terminated, except if there is imminent danger
26 to the health and welfare of children if agency operation is not
27 terminated more promptly. Notwithstanding Article 18
28 (commencing with Section 8400), the department shall establish
29 procedures for placing a contractor whose agreement is being
30 terminated into receivership. Action to initiate receivership shall
31 be at the discretion of the department, and may be taken against a
32 contractor whose agreement is being terminated either immediately
33 or within 90 days. The receiver shall not be a department employee.
34 The receiver shall have sufficient experience in the administration
35 of early learning and educational support programs to ensure
36 compliance with the terms of the receivership.

37 ~~SEC. 51.~~

38 *SEC. 56.* Section 8258 of the Education Code is amended to
39 read:

1 8258. (a) A person employed by the department in a
2 policymaking position in the area of early learning and educational
3 support programs shall not serve as a member of the board of
4 directors, advisory council, or advisory committee for any agency
5 receiving funds pursuant to this chapter.

6 (b) A retired, dismissed, separated, or formerly employed person
7 of the department employed under the State Civil Service Act or
8 otherwise appointed to serve in the department shall not enter into
9 a contract pursuant to Section 8262 in which he or she engaged in
10 any of the negotiations, transactions, planning, arrangements, or
11 any part of the decisionmaking process relevant to the contract
12 while employed in any capacity by the department. The prohibition
13 contained in this subdivision shall apply to the person only during
14 the two-year period beginning on the date the person left state
15 employment.

16 (c) For a period of 12 months following the date of his or her
17 retirement, dismissal, or separation from state service, a person
18 employed under state civil service or otherwise appointed to serve
19 in the department shall not enter into a contract pursuant to Section
20 8262 if he or she was employed by the department in a
21 policymaking position in the area of early learning and educational
22 support programs within the 12-month period before his or her
23 retirement, dismissal, or separation.

24 (d) For a period of 12 months following the date of his or her
25 retirement, dismissal, or separation from state service, no person
26 employed under state civil service or otherwise appointed to serve
27 in the department may be employed by a contractor pursuant to
28 Section 8262 if he or she engaged in any of the negotiations,
29 transactions, planning, arrangements, or any part of the
30 decisionmaking process relevant to the contract while employed
31 in any capacity by the department.

32 ~~SEC. 52.~~

33 *SEC. 57.* Section 8261 of the Education Code is amended to
34 read:

35 8261. (a) The Superintendent shall adopt rules and regulations
36 pursuant to this chapter. The rules and regulations shall include,
37 but not be limited to, provisions which do all of the following:

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

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

4 (3) Specify adequate standards of agency performance.

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

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

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

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

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

35 (d) (1) Early learning and educational support programs
36 operated under contract from funds made available pursuant to the
37 federal Child Care and Development Fund, shall be administered
38 according to Division 19 (commencing with Section 17906) of
39 Chapter 1 of Title 5 of the California Code of Regulations, unless
40 provisions of these regulations conflict with federal regulations.

1 If state and federal regulations conflict, the federal regulations
2 shall apply unless a waiver of federal regulations is authorized.

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

6 ~~SEC. 53.~~

7 *SEC. 58.* Section 8261.5 of the Education Code is amended to
8 read:

9 8261.5. For purposes of meeting state and federal reporting
10 requirements and for the effective administration of early learning
11 and educational support programs, the Superintendent is authorized
12 to require the collection and submission of social security numbers
13 of heads of households, and other information as required, from
14 public and private agencies contracting with the department
15 pursuant to this chapter, including local educational agencies.

16 ~~SEC. 54.~~

17 *SEC. 59.* Section 8262 of the Education Code is amended to
18 read:

19 8262. Notwithstanding Sections 14616 and 14780 of the
20 Government Code, the Superintendent may enter into and execute
21 local contractual agreements with any public or private entity or
22 agency for the delivery of early learning and educational support
23 services or the furnishing of property, facilities, personnel, supplies,
24 equipment, and administrative services related to the delivery of
25 early learning and educational support services. Before entering
26 into or executing a local agreement, the department shall obtain
27 annual approval from the Department of General Services and the
28 Department of Finance as to the form and general content thereof.
29 The agreements may only be made for the delivery of early learning
30 and educational support services, or the furnishing of property,
31 facilities, personnel, supplies, equipment, or administrative services
32 related thereto, which conform with the provisions of this chapter.

33 ~~SEC. 55.~~

34 *SEC. 60.* Section 8263 of the Education Code is amended to
35 read:

36 8263. (a) The Superintendent shall adopt rules and regulations
37 on eligibility, enrollment, and priority of services needed to
38 implement this chapter. In order to be eligible for federal and state
39 subsidized early learning and educational support services, families
40 shall meet at least one requirement in each of the following areas:

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

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

15 (b) Except as provided in Article 15.5 (commencing with Section
16 8350), priority for federal and state subsidized early learning and
17 educational support services is as follows:

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

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

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

37 (2) Second priority shall be given equally to eligible families,
38 regardless of the number of parents in the home, who are income
39 eligible. Within this priority, families with the lowest gross monthly
40 income in relation to family size, as determined by a schedule

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

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

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

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

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

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

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

31 (g) (1) The Superintendent shall establish a fee schedule for
32 families utilizing early learning and educational support services
33 pursuant to this chapter, including families receiving services under
34 paragraph (1) of subdivision (b). Families receiving services under
35 subparagraph (B) of paragraph (1) of subdivision (b) may be
36 exempt from these fees for up to three months. Families receiving
37 services under subparagraph (C) of paragraph (1) of subdivision
38 (b) may be exempt from these fees for up to 12 months. The
39 cumulative period of time of exemption from these fees for families

1 receiving services under paragraph (1) of subdivision (b) shall not
2 exceed 12 months.

3 (2) The income of a recipient of federal supplemental security
4 income benefits pursuant to Title XVI of the federal Social Security
5 Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program
6 benefits pursuant to Title XVI of the federal Social Security Act
7 (42 U.S.C. Sec. 1381 et seq.) and Chapter 3 (commencing with
8 Section 12000) of Part 3 of Division 9 of the Welfare and
9 Institutions Code shall not be included as income for purposes of
10 determining the amount of the family fee.

11 (h) (1) The family fee schedule shall provide, among other
12 things, that a contractor or provider may require parents to provide
13 diapers. A contractor or provider offering field trips either may
14 include the cost of the field trips within the service rate charged
15 to the parent or may charge parents an additional fee. Federal or
16 state money shall not be used to reimburse parents for the costs of
17 field trips if those costs are charged as an additional fee. A
18 contractor or provider that charges parents an additional fee for
19 field trips shall inform parents, before enrolling the child, that a
20 fee may be charged and that no reimbursement will be available.

21 (2) A contractor or provider may charge parents for field trips
22 or require parents to provide diapers only under the following
23 circumstances:

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

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

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

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

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

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

38 (4) Expenses incurred and income received for field trips
39 pursuant to this section shall be reported to the department. The

1 income received for field trips shall be reported specifically as
2 restricted income.

3 (i) The Superintendent shall establish guidelines for the
4 collection of employer-sponsored child care benefit payments from
5 a parent whose child receives subsidized early learning and
6 educational support services. These guidelines shall provide for
7 the collection of the full amount of the benefit payment, but not
8 to exceed the actual cost of early learning and educational support
9 services provided, notwithstanding the applicable fee based on the
10 fee schedule.

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

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

18 ~~SEC. 56.~~

19 *SEC. 61.* Section 8263.2 of the Education Code is amended to
20 read:

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

39 (b) Notwithstanding any other law, effective July 1, 2011,
40 families shall be disenrolled from subsidized services, consistent

1 with the priorities for services specified in subdivision (b) of
2 Section 8263. Families shall be disenrolled in the following order:

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

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

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

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

13 (5) Families whose children are receiving child protective
14 services or are at risk of being neglected or abused, regardless of
15 family income.

16 ~~SEC. 57.~~

17 *SEC. 62.* Section 8263.3 of the Education Code is amended to
18 read:

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

39 (b) Notwithstanding any other law, effective July 1, 2012,
40 families shall be disenrolled from subsidized services, consistent

1 with the priorities for services specified in subdivision (b) of
2 Section 8263. Families shall be disenrolled in the following order:

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

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

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

8 (4) Families whose children are receiving child protective
9 services or are at risk of being neglected or abused, regardless of
10 family income.

11 ~~SEC. 58.~~

12 *SEC. 63.* Section 8263.4 of the Education Code is amended to
13 read:

14 8263.4. (a) The preferred placement for children who are 11
15 or 12 years of age and who are otherwise eligible for subsidized
16 early learning and educational support services shall be in a before
17 or after school program.

18 (b) Children who are 11 or 12 years of age shall be eligible for
19 subsidized services only for the portion of care needed that is not
20 available in a before or after school program provided pursuant to
21 Article 22.5 (commencing with Section 8482) or Article 22.6
22 (commencing with Section 8484.7). Contractors shall provide each
23 family of an eligible 11- or 12-year-old child with the option of
24 combining care provided in a before or after school program with
25 subsidized care in another setting, for those hours within a day
26 when the before or after school program does not operate, in order
27 to meet the needs of the family.

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

32 (d) A before or after school program shall be considered not
33 available when a parent certifies in writing, on a form provided
34 by the department that is translated into the parent's primary
35 language pursuant to Sections 7295.4 and 7296.2 of the
36 Government Code, the reason or reasons why the program would
37 not meet the needs of the family. The reasons why a before or after
38 school program shall be considered not available shall include,
39 but not be limited to, any of the following:

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

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

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

7 (4) The program is too geographically distant from the parents'
8 residence.

9 (5) Use of the program would create substantial transportation
10 obstacles for the family.

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

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

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

28 (g) The savings generated each contract year by the
29 implementation of the changes made to this section by Chapter 78
30 of the Statutes of 2005 shall remain with each ~~alternative payment~~
31 ~~program~~, early learning and educational support ~~center~~, or other
32 *services* contractor for the provision of services, except for care
33 provided by programs pursuant to Article 15.5 (commencing with
34 Section 8350). Each contractor shall report annually to the
35 department the amount of savings resulting from this
36 implementation, and the department shall report annually to the
37 Legislature the amount of savings statewide resulting from that
38 implementation.

1 ~~SEC. 59.~~

2 *SEC. 64.* Section 8264 of the Education Code is amended to
3 read:

4 8264. By July 1, 1981, and annually thereafter, the State
5 Department of Health Care Services shall provide a mechanism
6 for the delivery of health screening and followup services for
7 children enrolled in early learning and educational support
8 programs for whom there are no appropriate health services
9 accessible by referral.

10 ~~SEC. 60.~~

11 *SEC. 65.* Section 8264.5 of the Education Code is amended to
12 read:

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

25 ~~SEC. 61.~~

26 *SEC. 66.* Section 8264.6 of the Education Code is amended to
27 read:

28 8264.6. The Superintendent may provide outreach services and
29 technical assistance to new applicants or contracting agencies and
30 to those providing services during nontraditional times, in
31 underserved geographic areas, and for children with specific service
32 needs, including infants and toddlers under three years of age.

33 ~~SEC. 62.~~

34 *SEC. 67.* Section 8264.7 of the Education Code is amended to
35 read:

36 8264.7. (a) The Superintendent shall establish rules and
37 regulations for the staffing of all ~~direct classroom services~~
38 ~~programs~~ *early learning services* under contract with the
39 department.

1 (b) Priority shall be given by the department to the employment
2 of persons in ~~direct-classroom-services-programs~~ *early learning*
3 *services* with ethnic backgrounds that are similar to those of the
4 child for whom services are provided.

5 (c) For purposes of staffing ~~direct-classroom-services-programs~~,
6 *early learning services*, the role of a teacher in child supervision
7 means direct supervision of the children as well as supervision of
8 aides and groups of children.

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

13 (e) Approval by the Superintendent of any ongoing or new
14 programs seeking to operate under the ratios and standards
15 established by the Superintendent under this chapter shall be based
16 upon the following considerations:

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

19 (2) The ability of the Superintendent to implement a funding
20 source change.

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

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

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

27 ~~SEC. 63.~~

28 *SEC. 68.* Section 8264.8 of the Education Code is repealed.

29 ~~SEC. 64.~~

30 *SEC. 69.* Section 8264.8 is added to the Education Code, to
31 read:

32 8264.8. (a) Early learning and educational support programs
33 shall maintain at least the following minimum ratios in all direct
34 ~~classroom~~ *early learning* services except for family child care
35 home education networks operating pursuant to Article 8.5
36 (commencing with Section 8245):

37 (1) Infants, birth to 18 months old—1:3 adult-to-child ratio,
38 1:18 teacher-to-child ratio.

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

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

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

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

7 ~~SEC. 65.~~

8 *SEC. 70.* Section 8265 of the Education Code is amended to
9 read:

10 8265. (a) The Superintendent shall implement a plan that
11 establishes reasonable standards and assigned reimbursement rates,
12 which vary with the length of the program year and the hours of
13 service.

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

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

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

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

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

27 (c) The plan shall require agencies having an assigned
28 reimbursement rate above the current year standard reimbursement
29 rate to reduce costs on an incremental basis to achieve the standard
30 reimbursement rate.

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

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

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

39 (3) Increased costs directly attributable to new or different
40 regulations.

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

5 (e) The plan shall provide for expansion of ~~early learning and~~
6 ~~educational support programs~~ *direct early learning services* at no
7 more than the standard reimbursement rate for that fiscal year.

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

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

14 ~~SEC. 66.~~

15 *SEC. 71.* Section 8266 of the Education Code is amended to
16 read:

17 8266. (a) Notwithstanding Section 8265, the assigned
18 reimbursement rate of a ~~direct classroom services~~ *early learning*
19 program (1) contracting with the department, (2) operating under
20 licensing standards for child care and development facilities
21 specified by Section 1500 et seq. of the Health and Safety Code
22 and by Title 22 of the California Code of Regulations, and (3) with
23 less than a majority of subsidized children enrolled in the facility,
24 shall be equivalent to the fee paid for the same service by families
25 of nonsubsidized children.

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

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

36 ~~SEC. 67.~~

37 *SEC. 72.* Section 8266.1 of the Education Code is amended to
38 read:

39 8266.1. Commencing with the 1995–96 fiscal year and each
40 fiscal year thereafter, for the purposes of this chapter,

1 reimbursement rates shall be adjusted by the following
 2 reimbursement factors for ~~direct-classroom~~ *early learning* services
 3 ~~programs~~ with a standard reimbursement rate, but shall not apply
 4 to the resource and referral programs set forth in Article 2
 5 (commencing with Section 8210), the alternative payment programs
 6 set forth in Article 3 (commencing with Section 8220), *or* the
 7 part-day California state preschool programs set forth in Article 7
 8 (commencing with Section 8235), ~~the schoolage community child~~
 9 ~~care services programs set forth in Article 22 (commencing with~~
 10 ~~Section 8460), or to the schoolage parent and infant development~~
 11 ~~programs: 8235).~~

12 (a) For ~~direct-classroom services program providers~~ *early*
 13 *learning services* serving children for less than four hours per day,
 14 the reimbursement factor is 55 percent of the standard
 15 reimbursement rate.

16 (b) For ~~direct-classroom services program providers~~ *early*
 17 *learning services* serving children for not less than four hours per
 18 day, and less than six and one-half hours per day, the
 19 reimbursement factor is 75 percent of the standard reimbursement
 20 rate. ~~For providers operating under the At Risk Child Care Program~~
 21 ~~set forth in Article 15.5 (commencing with Section 8350) and~~
 22 ~~serving children for not less than four hours per day, and less than~~
 23 ~~seven hours per day, the reimbursement factor is 75 percent of the~~
 24 ~~standard reimbursement rate.~~

25 (c) For ~~direct-classroom services program providers~~ *early*
 26 *learning services* serving children for not less than six and one-half
 27 hours per day, and less than 10½ hours per day, the reimbursement
 28 factor is 100 percent of the standard reimbursement rate. ~~For~~
 29 ~~providers operating under the At Risk Child Care Program set~~
 30 ~~forth in Article 15.5 (commencing with Section 8350) and serving~~
 31 ~~children for not less than seven hours per day, and less than 10~~
 32 ~~hours per day, the reimbursement factor is 100 percent of the~~
 33 ~~standard reimbursement rate.~~

34 (d) For ~~direct-classroom services program providers~~ *early*
 35 *learning services* serving children for 10½ hours or more per day,
 36 the reimbursement factor is 118 percent of the standard
 37 reimbursement rate.

38 ~~SEC. 68.~~

39 *SEC. 73.* Section 8272 of the Education Code is amended to
 40 read:

1 8272. (a) The rules, regulations, and guidelines adopted by
2 the Superintendent pursuant to Sections 8261 and 8269 shall permit
3 reimbursement for interest paid by contractors on private sector
4 debt financing for the purchase, lease-purchase, repair, or
5 renovation of ~~child care and development~~ *early learning and*
6 *educational support* facilities owned or leased by contractors
7 providing early learning and educational support services.

8 (b) The Superintendent shall adopt regulations requiring
9 contractors to demonstrate that the amount of interest paid in a
10 year on private sector debt financing for the purposes identified
11 in subdivision (a) does not exceed the value obtained by the state
12 in the use of the facilities during the year for the early learning
13 and educational support services program. The regulations shall
14 include, but not be limited to, the following methods of making
15 this demonstration:

16 (1) Amortization of a loan or lease-purchase contract on a
17 straight-line basis for the purchase price of a portable building,
18 including any transportation charges, installation charges, loan
19 fees, taxes, points, or other fees associated with the purchase, over
20 a period of 15 years or more.

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

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

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

34 ~~SEC. 69.~~

35 *SEC. 74.* Section 8275 of the Education Code is amended to
36 read:

37 8275. (a) The Superintendent may reimburse approvable
38 startup costs of agencies or facilities in an amount not to exceed
39 15 percent of the expansion or increase of each agency's total
40 contract amount. Under no circumstances shall reimbursement for

1 startup costs result in an increase in the agency's total contract
2 amount. These funds shall be available for all of the following:

- 3 (1) The employment and orientation of necessary staff.
- 4 (2) The setting up of the program and facility.
- 5 (3) The finalization of rental agreements and the making of
6 necessary deposits.
- 7 (4) The purchase of a reasonable inventory of materials and
8 supplies.
- 9 (5) The purchase of an initial premium for insurance.

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

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

15 ~~SEC. 70.~~

16 *SEC. 75.* Section 8276.7 of the Education Code is amended to
17 read:

18 8276.7. Unless specifically exempted by the Legislature, the
19 administrative cost for all state-funded early learning and
20 educational support programs and all federal programs
21 administered by the state shall not exceed 15 percent of the funds
22 provided for those programs. Eighty-five percent of these funds
23 shall be used to provide direct services in accordance with rules
24 and regulations, or contractual funding terms and conditions
25 prescribed by the Superintendent.

26 ~~SEC. 71.~~

27 *SEC. 76.* Section 8277 of the Education Code is amended to
28 read:

29 8277. (a) The Superintendent shall establish regulations for
30 the allocation of capital outlay funds provided pursuant to Sections
31 8277.1 to 8277.4, inclusive, to benefit children most needing early
32 learning and educational support programs. The first priority for
33 all capital outlay shall be given to facilities located in geographic
34 areas with no other available enrollment slots in existing subsidized
35 and nonsubsidized child care and development facilities. This
36 capital outlay funding shall be used solely for purposes of
37 renovation and repair of existing buildings.

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

1 ~~SEC. 72.~~

2 ~~SEC. 77.~~ Section 8277.8 of the Education Code is amended to
3 read:

4 8277.8. (a) In the event that a school district elects to
5 discontinue its contract for ~~child development~~ *early learning and*
6 *educational support* services, the facilities owned by the school
7 district and constructed through the provisions of the local tax
8 override for early learning and educational support program
9 purposes shall be made available to the local contractor whose bid
10 is accepted for continuation of the services.

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

13 ~~SEC. 73.~~

14 ~~SEC. 78.~~ Section 8278.3 of the Education Code is amended to
15 read:

16 8278.3. (a) (1) The Child Care Facilities Revolving Fund is
17 hereby established in the State Treasury to provide funding for the
18 renovation, repair, or improvement of an existing building to make
19 the building suitable for licensure for early learning and educational
20 support services and for the purchase of new relocatable child care
21 facilities for lease to school districts and contracting agencies that
22 provide early learning and educational support services pursuant
23 to this chapter. The Superintendent may transfer state funds
24 appropriated for child care facilities into this fund for allocation
25 to school districts and contracting agencies, as specified, for the
26 purchase, transportation, and installation of facilities for
27 replacement and expansion of capacity. School districts and
28 contracting agencies using facilities made available by the use of
29 these funds shall be charged a leasing fee, either at a fair market
30 value for those facilities or at an amount sufficient to amortize the
31 cost of purchase and relocation, whichever amount is lower, over
32 a 10-year period. Upon full repayment of the purchase and
33 relocation costs, title shall transfer from the State of California to
34 the school district or contracting agency. The Superintendent shall
35 deposit all revenue derived from the lease payments into the Child
36 Care Facilities Revolving Fund.

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

1 (b) On or before August 1 of each fiscal year, the Superintendent
2 shall submit to the Department of Finance and the Legislative
3 Analyst's Office a report detailing the number of funding requests
4 received and their purpose, the types of agencies that received
5 funding from the Child Care Facilities Revolving Fund, the
6 increased capacity that these facilities generated, a description of
7 the manner in which the facilities are being used, and a projection
8 of the lease payments collected and the funds available for future
9 use.

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

15 ~~SEC. 74.~~

16 *SEC. 79.* Section 8279.1 of the Education Code is amended to
17 read:

18 8279.1. (a) The Legislature recognizes that early learning and
19 educational support programs have made valuable contributions
20 towards ensuring that public assistance recipients will be able to
21 accept and maintain employment or employment-related training.
22 Therefore, it is the intent of the Legislature that the Superintendent
23 ensure that counties comply with the requirements of Section 8279.

24 (b) The Superintendent shall ensure each county's compliance
25 with Section 8279 by not issuing funds to a local contractor within
26 a county until the Superintendent has received written certification
27 from that county that the level of expenditure for services provided
28 by the county has been maintained at the 1970–71 fiscal year level
29 pursuant to Section 8279. Funding provided by a county to a local
30 contractor shall not adversely affect the reimbursement received
31 by the agency from the Superintendent pursuant to Section 8265,
32 8265.5, or 8266.

33 ~~SEC. 75.~~

34 *SEC. 80.* Section 8279.3 of the Education Code is amended to
35 read:

36 8279.3. (a) The department shall disburse augmentations to
37 the base allocation for the expansion of early learning and
38 educational support programs to promote equal access to these
39 services across the state.

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

6 (c) The Superintendent shall develop a formula for prioritizing
7 the disbursement of augmentations pursuant to this section. The
8 formula shall give priority to allocating funds to underserved areas.
9 The Superintendent shall develop the formula by using the
10 definition of “underserved area” in subdivision (ah) of Section
11 8208 and direct impact indicators of need for early learning and
12 educational support services in the county or subcounty areas. For
13 purposes of this section, “subcounty areas” include, but are not
14 limited to, school districts, census tracts, or ZIP Code areas that
15 are deemed by the Superintendent to be most appropriate to the
16 type of program receiving an augmentation. Direct impact
17 indicators of need may include, but are not limited to, the teenage
18 pregnancy rate, the unemployment rate, area household income,
19 or the number or percentage of families receiving public assistance,
20 eligible for Medi-Cal, or eligible for free or reduced-price school
21 meals, and any unique characteristics of the population served by
22 the type of program receiving an augmentation.

23 (d) To promote equal access to services, the Superintendent
24 shall include in guidelines developed for use by local planning
25 councils pursuant to subdivision (d) of Section 8499.5 guidance
26 on identifying underserved areas and populations within counties.
27 This guidance shall include reference to the direct impact indicators
28 of need described in subdivision (c).

29 ~~SEC. 76.~~

30 *SEC. 81.* Section 8279.4 of the Education Code is amended to
31 read:

32 8279.4. The Legislature finds and declares the following:

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

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

39 (c) In addition to regional resource centers described in
40 Provision 7(d) of Item 6110-196-0001 of the Budget Act of 1999,

1 which focus on developing care capacity in underserved areas of
2 the state, there is a need to access capital for facilities on a
3 systematic basis, especially to use limited public sector funds to
4 leverage a greater private sector role in financing child day care
5 facilities. The Legislature finds and declares that a financial
6 intermediary could fill this role and support the regional resource
7 centers and other local entities that work with potential providers
8 by functioning as a centralized repository of training, best practices,
9 and expertise on facilities financing.

10 ~~SEC. 77.~~

11 *SEC. 82.* Section 8279.5 of the Education Code is amended to
12 read:

13 8279.5. (a) The Superintendent shall contract with a nonprofit
14 organization to serve as a financial intermediary. The nonprofit
15 organization shall have staff who have expertise in financing and
16 capital expansion, are knowledgeable about the early learning and
17 educational support field, and have the ability to develop and
18 implement a plan to increase the availability of financing to
19 renovate, expand, and construct child day care facilities, both in
20 centers and family child care homes.

21 (b) The financial intermediary selected by the Superintendent
22 shall undertake activities designed to increase funds available from
23 the private and public sectors for the financing of child day care
24 facilities. These activities shall include, but are not limited to, all
25 of the following:

26 (1) Soliciting capital grants and program-related investments
27 from foundations and corporations.

28 (2) Building partnerships with foundations and corporations.

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

31 (4) Coordinating private sources of capital with existing public
32 sector sources of financing for child day care facilities, including,
33 but not limited to, the Department of Housing and Community
34 Development and the California Infrastructure and Economic
35 Development Bank.

36 (5) Coordinating financing efforts with the technical assistance
37 provided by the regional resource centers described in Provision
38 7(d) of Item 6110-196-0001 of the Budget Act of 1999, and other
39 local entities that work with potential providers.

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

3 ~~SEC. 78.~~

4 *SEC. 83.* Section 8279.7 of the Education Code is amended to
5 read:

6 8279.7. (a) The Legislature recognizes the importance of
7 providing high-quality early learning and educational support
8 services. It is, therefore, the intent of the Legislature to assist
9 counties in improving the retention and professional growth of
10 qualified instructional employees who work directly with children
11 who receive state-subsidized ~~early learning and educational support~~
12 *direct early learning* services.

13 (b) It is further the intent of the Legislature, in amending this
14 section during the 2009–10 Regular Session, to address the unique
15 challenges of the County of Los Angeles, in which an estimated
16 60,000 low-income children receive subsidized care in
17 nonstate-funded child care settings and an additional 50,000
18 eligible children are waiting for subsidized services.

19 (c) (1) Except as provided in paragraph (2), the funds
20 appropriated for the purposes of this section by paragraph (11) of
21 Schedule (b) of Item 6110-196-0001 of Section 2.00 of the Budget
22 Act of 2000 (Chapter 52 of the Statutes of 2000), and that are
23 described in subdivision (i) of Provision 7 of that item, and any
24 other funds appropriated for purposes of this section, shall be
25 allocated to local planning councils based on the percentage of
26 state-subsidized, ~~direct-classroom~~ *early learning* services funds
27 received in that county, and shall be used to address the retention
28 of qualified instructional employees in state-subsidized centers.

29 (2) Of the funds identified in paragraph (1), funds qualified
30 pursuant to subparagraphs (A) to (C), inclusive, may also be used
31 to address the retention and professional growth of qualified
32 persons working in licensed early learning and educational support
33 programs and that serve a majority of children who receive
34 subsidized ~~direct-classroom~~ *early learning* services pursuant to
35 this chapter, including, but not limited to, family day care homes
36 as defined in Section 1596.78 of the Health and Safety Code. To
37 qualify for use pursuant to this paragraph, the funds shall meet all
38 of the following requirements:

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

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

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

5 (d) The department shall develop guidelines for use by local
6 planning councils in developing county plans for the expenditure
7 of funds allocated pursuant to this section. These guidelines shall
8 be consistent with the department's assessment of the current needs
9 of the subsidized workforce, and shall be subject to the approval
10 of the Department of Finance. Any county plan developed pursuant
11 to these guidelines shall be approved by the department before the
12 allocation of funds to the local planning council.

13 (e) Funds provided to a county for the purposes of this section
14 shall be used in accordance with the plan approved pursuant to
15 subdivision (d). A county with an approved plan may retain up to
16 1 percent of the county's total allocation made pursuant to this
17 section for reimbursement of administrative expenses associated
18 with the planning process.

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

24 ~~SEC. 79.~~

25 *SEC. 84.* Section 8282 of the Education Code is amended to
26 read:

27 8282. (a) The Legislature finds and declares that the state
28 makes a substantial, annual investment in preschool, infant and
29 toddler, and schoolage early learning and educational support
30 programs for eligible families. It is in the best interests of children
31 and their families, and the taxpayers of California, to have
32 information about the development and learning abilities of
33 children developed in these settings, health and other information
34 transferred to, or otherwise available to, the pupil's elementary
35 school.

36 (b) When a child in a state-funded preschool or infant and
37 toddler program will be transferring to a local public school, the
38 preschool or infant and toddler program shall provide the parent
39 or guardian with information from the previous year deemed
40 beneficial to the pupil and the public school teacher, including,

1 but not limited to, development issues, social interaction abilities,
2 health background, and diagnostic assessments, if any. The
3 preschool or infant and toddler program may, with the permission
4 of the parent or guardian, transfer this information to the pupil's
5 elementary school.

6 (c) Any child who has participated in a state subsidized
7 California state preschool program that maintains results-based
8 standards, including the desired results accountability system, may
9 have the performance information transferred to any subsequent
10 or concurrent public school setting. Any transferred information
11 shall be in summary form and only accomplished with the
12 permission of the parent or guardian.

13 ~~SEC. 80.~~

14 *SEC. 85.* Section 8320 of the Education Code is amended to
15 read:

16 8320. The governing board of any school district or a county
17 superintendent of schools with the approval of the county board
18 of education is authorized to establish and maintain early learning
19 and educational support programs upon the approval of, and subject
20 to the regulations of the Superintendent.

21 ~~SEC. 81.~~

22 *SEC. 86.* Section 8321 of the Education Code is amended to
23 read:

24 8321. (a) The county superintendent of schools in each county,
25 with the approval of the county board of education and the
26 Superintendent, shall have the authority to establish and maintain
27 ~~direct-classroom~~ *early learning services* ~~programs~~ in the same
28 manner and to the same extent as governing boards of school or
29 community college districts, except that nothing in this section
30 shall be construed as vesting in the county superintendents of
31 schools any authority to alone effect the levy and collection of any
32 county, school, or other local taxes for the support of any direct
33 ~~classroom services programs.~~ *early learning services.*

34 (b) The establishment and maintenance of any ~~direct-classroom~~
35 ~~services-program~~ *early learning services* by the county
36 superintendent of schools shall be undertaken, subject to the prior
37 approval of both the county board of education and the
38 Superintendent, upon the application of one or more school districts
39 under his or her jurisdiction.

1 ~~SEC. 82.~~

2 *SEC. 87.* Section 8324 of the Education Code is amended to
3 read:

4 8324. The employees of school districts or community college
5 districts, or county superintendents of schools in direct-classroom
6 services programs *early learning services* under this division shall
7 have the same rights and privileges as are granted to employees
8 of the same agencies in children’s centers.

9 ~~SEC. 83.~~

10 *SEC. 88.* Section 8327 of the Education Code is amended to
11 read:

12 8327. Notwithstanding any other provision of this chapter, the
13 governing board of a school district or community college district,
14 county superintendent of schools, or other unit of local general
15 purpose government may enter into agreements with any city, city
16 and county, or other public agency, or with a private foundation,
17 nonprofit corporation, or proprietary agency for the furnishing to,
18 or use by, the governing board, county superintendent of schools,
19 or other unit of local general purpose government in carrying out
20 the provisions of this chapter, of property, facilities, personnel,
21 supplies, equipment, and other necessary items and such city,
22 county, city and county, other public agency, or private foundation
23 or nonprofit corporation, is authorized to enter into the agreements.

24 ~~SEC. 84.~~

25 *SEC. 89.* Section 8328 of the Education Code is amended to
26 read:

27 8328. (a) The governing board of any school district or the
28 county superintendent of schools shall establish in the county
29 treasury a fund to be known as the “child development fund” into
30 which shall be paid all funds received by the district or the county
31 for, or from the operation of, early learning and educational support
32 services under this chapter. The costs incurred in the maintenance
33 and operation of services shall be paid from the fund, with
34 accounting to reflect specific funding sources.

35 (b) Funds of a district derived from the receipt of district taxes
36 or derived from moneys apportioned to the district for the support
37 of schools of the district, in addition to state moneys appropriated
38 for the support of services, fees, and federal funds, may be
39 expended for, or in connection with these services.

1 ~~SEC. 85.~~

2 *SEC. 90.* Section 8329 of the Education Code is amended to
3 read:

4 8329. The governing board of any school district maintaining
5 an early learning and educational support program may include in
6 its budget the amount necessary to initiate, operate, and maintain
7 a program pursuant to this chapter and the board of supervisors
8 shall levy a school district tax necessary to raise that amount. The
9 tax shall be in addition to any other school district tax authorized
10 by law to be levied.

11 ~~SEC. 86.~~

12 *SEC. 91.* The heading of Article 15.2 (commencing with
13 Section 8335) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
14 Education Code is amended to read:

15

16 Article 15.2. Subsidy Plan for the City and County of San
17 Francisco

18

19 ~~SEC. 87.~~

20 *SEC. 92.* Section 8335.1 of the Education Code is amended to
21 read:

22 8335.1. Before implementing the local subsidy plan, the City
23 and County of San Francisco, in consultation with the department,
24 shall develop an individualized county subsidy plan for the city
25 and county that includes the following four elements:

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

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

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

- 1 (3) The level of need for various types of subsidized services
- 2 including, but not limited to, infant care, after-hours care, and care
- 3 for children with exceptional needs.
- 4 (4) The city and county’s self-sufficiency income level.
- 5 (5) Income eligibility levels for subsidized care.
- 6 (6) Family fees.
- 7 (7) The cost of providing care.
- 8 (8) The regional market rates, as established by the department,
- 9 for different types of care.
- 10 (9) The standard reimbursement rate or state per diem for centers
- 11 operating under contracts with the department.
- 12 (10) Trends in the county’s unemployment rate and housing
- 13 affordability index.
- 14 (b) Development of a local policy to eliminate state-imposed
- 15 regulatory barriers to the city and county’s achievement of its
- 16 desired outcomes for subsidized care.
- 17 (1) The local policy shall do all of the following:
- 18 (A) Prioritize lowest income families first.
- 19 (B) Follow the family fee schedule established pursuant to
- 20 subdivision (f) of Section 8263 for those families that are income
- 21 eligible, as defined by Section 8263.1.
- 22 (C) Meet local goals that are consistent with the state’s goals.
- 23 (D) Identify existing policies that would be affected by the city
- 24 and county’s subsidy plan.
- 25 (E) (i) Authorize any agency that provides early learning and
- 26 educational support services in the city and county through a
- 27 contract with the department to apply to the department to amend
- 28 existing contracts in order to benefit from the local policy once it
- 29 is adopted.
- 30 (ii) The department shall approve an application to amend an
- 31 existing contract if the subsidy plan is approved pursuant to
- 32 subdivision (b) of Section 8335.3, or modified pursuant to
- 33 subdivision (c) of Section 8335.3.
- 34 (iii) The contract of a department contractor who does not elect
- 35 to request an amendment to its contract remains operative and
- 36 enforceable.
- 37 (2) (A) The city and county shall, by the end of the first fiscal
- 38 year of operation under the approved subsidy plan, demonstrate
- 39 an increase in the aggregate child days of enrollment in the county

1 as compared to the enrollment in the final quarter of the 2004–05
2 fiscal year.

3 (B) The amount of the increase shall be at least equal to the
4 aggregate child days of enrollment in the final quarter of the
5 2004–05 fiscal year for all contracts amended as provided in
6 subparagraph (E) of paragraph (1), under which the contractor
7 receives an increase in its reimbursement rate, multiplied by 2
8 percent.

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

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

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

23 (C) Reimbursement rates.

24 (D) Methods of maximizing the efficient use of subsidy funds,
25 including, but not limited to, multiyear contracting with the
26 department for direct-~~classroom~~ *early learning* services, and
27 interagency agreements that allow for flexible and temporary
28 transfer of funds among agencies.

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

33 (d) Establishment of measurable outcomes to evaluate the
34 success of the plan to achieve the city and county’s goals and to
35 overcome any barriers identified in the state’s subsidy system. The
36 State Department of Social Services shall have an opportunity to
37 review and comment on the proposed measurable outcomes before
38 they are submitted to the local planning council for approval
39 pursuant to Section 8335.3.

1 ~~SEC. 88.~~

2 *SEC. 93.* Section 8335.5 of the Education Code is amended to
3 read:

4 8335.5. The City and County of San Francisco may implement
5 an individualized subsidy plan until July 1, 2014, at which date
6 the city and county shall terminate the plan. Between July 1, 2014,
7 and July 1, 2016, the city and county shall phase out the
8 individualized county subsidy plan and, as of July 1, 2016, shall
9 implement the state’s requirements for subsidies. A child enrolling
10 for the first time for subsidized care in the city and county after
11 July 1, 2014, shall not be enrolled in the pilot program established
12 pursuant to this article and is subject to existing state laws and
13 regulations regarding eligibility and priority.

14 ~~SEC. 89.~~

15 *SEC. 94.* The heading of Article 15.3 (commencing with
16 Section 8340) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
17 Education Code is amended to read:

18
19 Article 15.3. Individualized County Subsidy Plan

20
21 ~~SEC. 90.~~

22 *SEC. 95.* Section 8341 of the Education Code is amended to
23 read:

24 8341. Before implementing the local subsidy plan, the County
25 of San Mateo, in consultation with the department, shall develop
26 an individualized county subsidy plan that includes the following
27 four elements:

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

- 37 (1) The general demographics of families who are in need of
38 care, including employment, income, language, ethnic, and family
39 composition.
- 40 (2) The current supply of available subsidized care.

- 1 (3) The level of need for various types of subsidized services
2 including, but not limited to, infant care, after-hours care, and care
3 for children with exceptional needs.
- 4 (4) The county's self-sufficiency income level.
- 5 (5) Income eligibility levels for subsidized care.
- 6 (6) Family fees.
- 7 (7) The cost of providing care.
- 8 (8) The regional market rates, as established by the department,
9 for different types of care.
- 10 (9) The standard reimbursement rate or state per diem for centers
11 operating under contracts with the department.
- 12 (10) Trends in the county's unemployment rate and housing
13 affordability index.
- 14 (b) Development of a local policy to eliminate state-imposed
15 regulatory barriers to the county's achievement of its desired
16 outcomes for subsidized care.
 - 17 (1) The local policy shall do all of the following:
 - 18 (A) Prioritize lowest income families first.
 - 19 (B) Follow the family fee schedule established pursuant to
20 subdivision (f) of Section 8263 for those families that are income
21 eligible, as defined by Section 8263.1.
 - 22 (C) Meet local goals that are consistent with the state's goals.
 - 23 (D) Identify existing policies that would be affected by the
24 county's subsidy plan.
 - 25 (E) (i) Authorize any agency that provides early learning and
26 educational support services in San Mateo County through a
27 contract with the department to apply to the department to amend
28 existing contracts in order to benefit from the local policy once it
29 is adopted.
 - 30 (ii) The department shall approve an application to amend an
31 existing contract if the subsidy plan is approved pursuant to
32 subdivision (b) of Section 8342, or modified pursuant to
33 subdivision (c) of Section 8342.
 - 34 (iii) The contract of a department contractor who does not elect
35 to request an amendment to its contract remains operative and
36 enforceable.
 - 37 (2) (A) The County of San Mateo shall, by the end of the first
38 fiscal year of operation under the approved subsidy plan,
39 demonstrate an increase in the aggregate child days of enrollment

1 in the county as compared to the enrollment in the final quarter of
2 the 2002–03 fiscal year.

3 (B) The amount of the increase shall be at least equal to the
4 aggregate child days of enrollment in the final quarter of the
5 2002–03 fiscal year for all contracts amended as provided in
6 subparagraph (E) of paragraph (1), under which the contractor
7 receives an increase in its reimbursement rate, multiplied by 2
8 percent.

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

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

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

23 (C) Reimbursement rates.

24 (D) Methods of maximizing the efficient use of subsidy funds,
25 including, but not limited to, multiyear contracting with the
26 department for direct-~~classroom~~ *early learning* services, and
27 interagency agreements that allow for flexible and temporary
28 transfer of funds among agencies.

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

33 (d) Establishment of measurable outcomes to evaluate the
34 success of the plan to achieve the county's goals and to overcome
35 any barriers identified in the state's subsidy system. The State
36 Department of Social Services shall have an opportunity to review
37 and comment on the proposed measurable outcomes before they
38 are submitted to the local planning council for approval pursuant
39 to Section 8342.

1 ~~SEC. 91.~~

2 *SEC. 96.* Section 8341.5 of the Education Code is amended to
3 read:

4 8341.5. To ensure that the annual and final reports required
5 pursuant to Section 8343 provide useful comparative information,
6 the Legislative Analyst and the Senate Office of Research shall
7 review the evaluation design, the baseline data, and the data
8 collection proposed in the subsidy plan of the county before the
9 plan is submitted to the local planning council for approval.

10 ~~SEC. 92.~~

11 *SEC. 97.* Section 8342 of the Education Code is amended to
12 read:

13 8342. (a) The plan shall be submitted to the local planning
14 council for approval. Upon approval of the plan by the local
15 planning council, the county board of supervisors shall hold at
16 least one public hearing on the plan. Following the hearing, if the
17 county board of supervisors votes in favor of the plan, the plan
18 shall be submitted to the Child Development Division of the
19 department for review.

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

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

25 (d) The Child Development Division may disapprove only those
26 portions of the plan or modifications to the plan that are not in
27 conformance with this article or that are in conflict with federal
28 law.

29 ~~SEC. 93.~~

30 *SEC. 98.* Section 8343 of the Education Code is amended to
31 read:

32 8343. (a) Upon approval of the plan by the Child Development
33 Division, the County of San Mateo shall annually prepare and
34 submit to the Legislature, the State Department of Social Services,
35 and the department a report that summarizes the success of the
36 pilot project and the county's ability to maximize the use of funds
37 and to improve and stabilize care in the county.

38 (b) On or before December 31, 2008, the County of San Mateo
39 shall submit a final report to the Legislature, the State Department

1 of Social Services, and the department summarizing the impact of
2 the plan on the care needs of working families.

3 ~~SEC. 94.~~

4 *SEC. 99.* Section 8344 of the Education Code is amended to
5 read:

6 8344. The County of San Mateo may implement its
7 individualized county subsidy plan until January 1, 2014, at which
8 date the County of San Mateo shall terminate the plan. Between
9 January 1, 2014, and January 1, 2016, the County of San Mateo
10 shall phase out the individualized county subsidy plan and, as of
11 January 1, 2016, shall implement the state’s requirements for
12 subsidies. A child enrolling for the first time for subsidized care
13 in San Mateo County after January 1, 2014, shall not be enrolled
14 in the pilot program established pursuant to this article and is
15 subject to existing state laws and regulations regarding care
16 eligibility and priority.

17 ~~SEC. 95.~~

18 *SEC. 100.* The heading of Article 15.5 (commencing with
19 Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
20 Education Code is amended to read:

21
22 Article 15.5. Recipients of the CalWORKs Program

23
24 ~~SEC. 96.~~

25 *SEC. 101.* Section 8350 of the Education Code is amended to
26 read:

27 8350. (a) It is the intent of the Legislature in enacting this
28 article to ensure that recipients of aid under Chapter 2 (commencing
29 with Section 11200) of Part 3 of Division 9 of the Welfare and
30 Institutions Code, or any successor program, and former recipients
31 who have left aid for employment, are connected as soon as
32 possible to local resources, make stable arrangements for services,
33 and continue to receive subsidized services after they no longer
34 receive aid as long as they require those services and meet the
35 eligibility requirements set forth in Sections 8263 and 8263.1.

36 (b) This article establishes three stages of child care services
37 through which a recipient of aid under Chapter 2 (commencing
38 with Section 11200) of Part 3 of Division 9 of the Welfare and
39 Institutions Code, or any successor program, will pass. Further, as
40 families’ needs are met by county welfare departments and later

1 by other local early learning and educational support contractors,
2 it is the intent of the Legislature that families experience no break
3 in their services due to a transition between the three stages of
4 child care services.

5 ~~SEC. 97.~~

6 *SEC. 102.* Section 8352 of the Education Code is amended to
7 read:

8 8352. (a) As soon as appropriate, a county welfare department
9 shall refer families needing services to the local resource and
10 referral program funded pursuant to Article 2 (commencing with
11 Section 8210). Resource and referral program staff shall colocate
12 with a county welfare department's case management office for
13 aid under Chapter 2 (commencing with Section 11200) of Part 3
14 of Division 9 of the Welfare and Institutions Code, or any successor
15 program, or arrange other means of swift communication with
16 parents and case managers of this aid. The local resource and
17 referral program shall assist families to establish stable
18 arrangements as soon as possible. These arrangements may include
19 licensed and license-exempt care.

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 list posted on the department's Internet Web site*
36 *pursuant to subdivision (c) of Section 8206 if this list is available.*
37 *If the department does not create a list of resources pursuant to*
38 *subdivision (c) of Section 8206, the program or partnership may*
39 *develop local resources that resources. These resources shall*
40 *include, but are not limited to, the following:*

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

3 (2) Information on licensing requirements and procedures for
4 *child care* centers and family *child care* homes.

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

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

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

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

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

18 (d) The program or partnership shall also provide parenting
19 information to parents.

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

24 (1) Terminate payment to the facility.

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

27 (f) A program operating pursuant to this article shall, upon being
28 notified that a licensed child care facility has been placed on
29 probation, provide written notice to each parent utilizing the facility
30 that the facility has been placed on probation and that the parent
31 has the option of selecting a different provider or remaining with
32 the facility without risk of subsidy payments to the provider being
33 terminated. The Legislature urges each agency operating pursuant
34 to this section to provide the written notice required by this
35 subdivision in the primary language of the parent, to the extent
36 feasible.

37 ~~SEC. 98.~~

38 *SEC. 103.* Section 8353 of the Education Code is amended to
39 read:

1 8353. (a) The second stage of child care begins when the
2 county determines that the recipient's work or approved work
3 activity is stable or when a recipient is transitioning off of aid and
4 care is available through a local stage two program. Second stage
5 child care may be provided to a family who elects to receive a
6 lump-sum diversion payment or diversion services under Section
7 11266.5 of the Welfare and Institutions Code when a funded space
8 is not immediately available for the family in third stage. The local
9 stage two agency shall assist in moving families to stage three as
10 quickly as feasible. Former CalWORKs recipients are eligible to
11 receive services in stage one and stage two for up to a total of no
12 more than 24 months after they leave cash aid, or until they are
13 otherwise ineligible within that 24-month period. Family size and
14 income for purposes of determining eligibility and calculating the
15 family fee shall be determined pursuant to Sections 8263 and
16 8263.1. A family leaving cash aid under the CalWORKs program
17 shall receive up to two years of care, if otherwise eligible, as
18 needed to continue the family's employment. The provision of the
19 two-year time limit is not intended to limit eligibility for care under
20 Section 8354.

21 (b) The second stage shall be administered by agencies
22 contracting with the department. These contractors may be either
23 agencies that have an alternative payment contract pursuant to
24 Section 8220.1 or county welfare departments that choose to
25 administer this stage in order to continue to provide services for
26 recipients or former recipients of aid. If the county chooses to
27 contract with the department to provide alternative payment
28 services, this contract shall not displace, or result in the reduction
29 of an existing contract of, a current alternative payment program.

30 ~~SEC. 99.~~

31 *SEC. 104.* Section 8354 of the Education Code is amended to
32 read:

33 8354. (a) The third stage of child care begins when a funded
34 space is available. CalWORKs recipients are eligible for the third
35 stage of child care. Persons who received a lump-sum diversion
36 payment or diversion services and former CalWORKs participants
37 are eligible if they have an income that does not exceed 70 percent
38 of the state median income pursuant to Section 8263.1. The third
39 stage shall be administered by programs contracting with the

1 department. Parents' eligibility for services will be governed by
2 Section 8263 and regulations adopted by the department.

3 (b) In order to move welfare recipients and former recipients
4 from their relationship with county welfare departments to
5 relationships with institutions providing services to working
6 families, it is the intent of the Legislature that families that are
7 former recipients of aid, or are transitioning off aid, receive their
8 assistance in the same fashion as other low-income working
9 families. Therefore, it is the intent of the Legislature that families
10 no longer rely on county welfare departments to obtain subsidies
11 beyond the time they are receiving other services from the welfare
12 department.

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

18 (d) This article does not preclude county welfare departments
19 from operating an alternative payment program under contract
20 with the department to serve families referred by child protective
21 services.

22 ~~SEC. 100.~~

23 *SEC. 105.* Section 8355 of the Education Code is amended to
24 read:

25 8355. Child care during the third stage may be funded with
26 moneys dedicated to current and former recipients of aid under
27 Chapter 2 (commencing with Section 11200) of Part 3 of Division
28 9 of the Welfare and Institutions Code, or any successor program,
29 including the federal funds appropriated to alternative payment
30 program contractors in the 1996–97 fiscal year using the Budget
31 Act's Section 28 process as described in subdivision (b). Nothing
32 shall prevent services provided under stage three from being funded
33 with moneys from other federal or state sources. Nothing in this
34 article shall preclude current and former recipients of aid under
35 Chapter 2 (commencing with Section 11200) of Part 3 of Division
36 9 of the Welfare and Institutions Code, or any successor program,
37 from receiving services pursuant to other provisions of this chapter.

38 ~~SEC. 101.~~

39 *SEC. 106.* Section 8356 of the Education Code is amended to
40 read:

1 8356. It is the intent of the Legislature that the department
2 work with Head Start and California state preschool programs to
3 generate extended-day and evening care for recipients of aid under
4 Chapter 2 (commencing with Section 11200) of Part 3 of Division
5 9 of the Welfare and Institutions Code, or any successor program,
6 through recruiting and training parents to be licensed and
7 license-exempt care providers and shall facilitate connections
8 between Head Start and California state preschool program
9 contractors and certificate administrators, including counties and
10 other alternative payment programs, so that funds available for
11 Sections 8351, 8353, and 8354 cover the cost of this care.

12 ~~SEC. 102.~~

13 *SEC. 107.* Section 8357 of the Education Code is amended to
14 read:

15 8357. (a) The cost of services provided under this article shall
16 be governed by regional market rates. Recipients of services
17 provided pursuant to this article shall be allowed to choose the
18 services of licensed providers or providers who are, by law, not
19 required to be licensed, and the cost of that care shall be reimbursed
20 by counties or agencies that contract with the department if the
21 cost is within the regional market rate. For purposes of this section,
22 “regional market rate” means care costing no more than 1.5 market
23 standard deviations above the mean cost of care for that region.
24 The regional market rate ceilings shall be established at the 85th
25 percentile of the 2005 regional market rate survey for that region.

26 (b) Reimbursement to license-exempt providers shall not exceed
27 60 percent of the family child care home rate established pursuant
28 to subdivision (a), effective July 1, 2011.

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

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

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

37 (f) For purposes of this section, “reimbursement” means a direct
38 payment to the provider of services, including license-exempt
39 providers. If care is provided in the home of the recipient, payment
40 may be made to the parent as the employer, and the parent shall

1 be informed of his or her concomitant legal and financial reporting
 2 requirements. To allow time for the development of the
 3 administrative systems necessary to issue direct payments to
 4 providers, for a period not to exceed six months from the effective
 5 date of this article, a county or an alternative payment agency
 6 contracting with the department may reimburse the cost of services
 7 through a direct payment to a recipient of aid rather than to the
 8 provider.

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

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

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

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

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

28 ~~SEC. 103.~~

29 *SEC. 108.* Section 8358 of the Education Code is amended to
 30 read:

31 8358. (a) The department and the State Department of Social
 32 Services shall design a form for license-exempt providers to use
 33 for certifying health and safety requirements to the extent required
 34 by federal law. Until the form is adopted, the information required
 35 pursuant to Section 11324 of the Welfare and Institutions Code
 36 shall continue to be maintained by the county welfare department
 37 or contractor, as appropriate.

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

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

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

6 (c) (1) County welfare departments and alternative payment
7 programs shall encourage all providers who are licensed or who
8 are exempt from licensure and who are providing care under
9 Section 8351, 8353, or 8354, to secure training and education in
10 basic child development.

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

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

19 ~~SEC. 104.~~

20 *SEC. 109.* Section 8358.5 of the Education Code is amended
21 to read:

22 8358.5. Notwithstanding any other confidentiality requirement,
23 the government or private agency administering subsidized care
24 services shall share information necessary for the administration
25 of the programs pursuant to this article and the CalWORKs
26 program pursuant to Chapter 2 (commencing with Section 11200)
27 of Part 3 of Division 9 of the Welfare and Institutions Code, for
28 the time period for which the person receives services.

29 ~~SEC. 105.~~

30 *SEC. 110.* Section 8359.1 of the Education Code is amended
31 to read:

32 8359.1. (a) It is the intent of the Legislature in enacting this
33 article to provide sufficient funding through an appropriation in
34 the annual Budget Act to fund the estimated cost of providing care
35 for all individuals who are anticipated to need care to participate
36 in the welfare-to-work programs and to transition to work.

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

1 ~~SEC. 106.~~

2 *SEC. 111.* The heading of Article 16 (commencing with Section
3 8360) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
4 Education Code is amended to read:

5

6 Article 16. Early Learning and Educational Support Personnel
7 Qualifications

8

9 ~~SEC. 107.~~

10 *SEC. 112.* Section 8360 of the Education Code is amended to
11 read:

12 8360. (a) Early learning and educational support programs
13 shall include a career ladder for instructional staff. The governing
14 board of each contracting agency shall be encouraged to provide
15 instructional staff and aides with salary increases for the successful
16 completion of early childhood education or child development
17 unit-based coursework and degrees.

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

21 (1) Any person serving as a teacher in an early learning and
22 educational support program providing ~~direct-classroom~~ *early*
23 *learning* services shall possess a permit or credential issued by the
24 Commission on Teacher Credentialing, including, but not limited
25 to, one of the following:

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

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

32 (C) An elementary ~~or a single subject~~ credential ~~in home~~
33 ~~economics. Teachers with an elementary or single subject credential~~
34 ~~must~~

35 (D) *A single subject credential in home economics.*

36 (2) *Any teacher qualifying under subparagraph (B), (C), or*
37 *(D) of paragraph (1) must also have completed 12 semester units*
38 *in early childhood education or child development, or both, or*
39 *have two years' experience in early childhood education or an*
40 *early learning and educational support program.*

1 ~~(2)~~

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

6 ~~SEC. 108.~~

7 ~~SEC. 113.~~ Section 8360.1 of the Education Code is repealed.

8 ~~SEC. 109.~~

9 ~~SEC. 114.~~ Section 8360.1 is added to the Education Code, to
10 read:

11 8360.1. Except as waived under Section ~~8242~~ and except as
12 ~~stated in Section 18203 of Title 5 of the California Code of~~
13 ~~Regulations regarding program directors in schoolage community~~
14 ~~services programs, 8244,~~ any entity operating early learning and
15 educational support programs providing ~~direct-classroom~~ *early*
16 *learning* services to children, pursuant to Article 5 (commencing
17 with Section 8228), at two or more sites, shall employ a program
18 director who possesses a permit or credential issued by the
19 Commission on Teacher Credentialing authorizing supervision of
20 ~~a child care and development~~ *an early learning and educational*
21 *support* program, including, but not limited to:

22 (a) An administrative credential.

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

24 (c) A program director permit.

25 (d) A waiver issued by the Superintendent pursuant to Section
26 8244.

27 ~~SEC. 110.~~

28 ~~SEC. 115.~~ Section 8360.2 of the Education Code is amended
29 to read:

30 8360.2. Not later than 95 days after the governing board of a
31 public agency sets the date a person employed by that board shall
32 begin service in a position requiring a permit or credential, that
33 person shall file, on or before that date, with the county
34 superintendent of schools a valid permit issued on or before that
35 date, authorizing him or her to serve in a position for which he or
36 she was employed. Upon renewal of that permit, that person shall
37 file that renewal with the county superintendent of schools no later
38 than 95 days after the renewal.

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

4

5

Article 17. Infant and Toddler Services

6

7 ~~SEC. 112.~~ Section 8390 of the Education Code is amended to
8 read:

9

10 ~~8390.~~ The Superintendent may, with funds appropriated for
11 that purpose, enter into agreements with school districts or
12 community college districts or county superintendents of schools
13 for the establishment and maintenance of early learning and
14 educational support programs for infants, and the training of pupils
15 in their roles as parents, as part of the high school program.

16 ~~SEC. 113.~~ Section 8392 of the Education Code is amended to
17 read:

18

19 ~~8392.~~ Infant early learning and educational support services
20 include, but are not limited to, the following:

21

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

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

28

29 (c) ~~Development and health screening and treatment.~~

30

31 ~~SEC. 114.~~ Section 8394 of the Education Code is amended to
32 read:
33 ~~8394.~~ (a) In school districts maintaining more than one high
34 school, the governing board, after soliciting the opinions of pupil
35 parents and other interested persons, shall determine the location
36 of the infant center.

37

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

~~SEC. 115.~~ Section 8395 of the Education Code is amended to
read:

36

37 ~~8395.~~ To the extent funds are available, federal reimbursement
38 shall be claimed for any child receiving services in the infant early
39 learning and educational support program.

40 ~~SEC. 116.~~ Section 8397 of the Education Code is amended to
read:

1 ~~8397. (a) Notwithstanding any other law, infants whose parent~~
2 ~~or parents are high school pupils may attend infant centers while~~
3 ~~their parents attend high school.~~

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

8 ~~SEC. 117.~~

9 ~~SEC. 116.~~ Section 8400 of the Education Code is amended to
10 read:

11 8400. It has come to the attention of the Legislature that:

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

17 (b) All disputes are currently resolved in the already
18 overburdened California courts resulting in a time-consuming and
19 costly process for both the contract agency and the department.
20 Extensive funds have been expended by the department for those
21 purposes.

22 (c) The presence of public and private agencies, small as well
23 as large, in the subsidized ~~care~~ *early learning and educational*
24 *support* delivery system provides client families with a range of
25 desirable services, and cost-effective service mechanisms.

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

29 ~~SEC. 118.~~

30 ~~SEC. 117.~~ Section 8401 of the Education Code is amended to
31 read:

32 8401. It is the intent of the Legislature to authorize an appeal
33 process for the resolution of disputes between the department and
34 local agencies that contract with the department pursuant to Section
35 8262 to provide early learning and educational support services
36 or to furnish property, facilities, personnel, supplies, equipment,
37 and administrative services.

38 ~~SEC. 119.~~

39 ~~SEC. 118.~~ Section 8402 of the Education Code is amended to
40 read:

1 8402. The department shall provide an independent appeal
2 procedure to each contracting agency providing early learning and
3 educational support services pursuant to Section 8262. Before
4 filing an appeal petition, the contracting agency shall have
5 submitted all previously required standard monthly or quarterly
6 reporting forms to the department. The appeal procedure shall be
7 conducted by the Office of Administrative Hearings and shall be
8 provided upon petition of the contracting agency in any of the
9 following circumstances:

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

11 (b) Denial of more than 4 percent or twenty-five thousand dollars
12 (\$25,000), whichever is less, of a local contracting agency's
13 contracted payment for services schedule.

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

17 ~~SEC. 120.~~

18 *SEC. 119.* Section 8406.7 of the Education Code is amended
19 to read:

20 8406.7. (a) Any agency that evidences chronic fiscal or
21 program violations of a felony nature may have its contract
22 suspended or terminated immediately if there is documented
23 evidence of these violations, and upon review and recommendation
24 of the general counsel of the department. A fiscal or programmatic
25 violation constituting a breach of contract includes one or more
26 of the following:

27 (1) Fraud, or conspiracy to defraud.

28 (2) Misuse of state funds in violation of the State of California
29 Accounting Manual.

30 (3) Embezzlement.

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

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

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

34 (7) Substantiated abuse or molestation of children.

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

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

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

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

1 ~~SEC. 121.~~

2 ~~SEC. 120.~~ Section 8447 of the Education Code is amended to
3 read:

4 8447. (a) The Legislature hereby finds and declares that greater
5 efficiencies may be achieved in the execution of state subsidized
6 early learning and educational support program contracts with
7 public and private agencies by the timely approval of contract
8 provisions by the Department of Finance, the Department of
9 General Services, and the State Department of Education and by
10 authorizing the State Department of Education to establish a
11 multiyear application, contract expenditure, and service review as
12 may be necessary to provide timely service while preserving audit
13 and oversight functions to protect the public welfare.

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

29 (2) Notwithstanding paragraph (1), the State Department of
30 Education shall implement the regional market rate schedules
31 based upon the county aggregates, as determined by the regional
32 market rate survey conducted in 2005.

33 (3) Notwithstanding paragraph (1), for the 2006–07 fiscal year,
34 the State Department of Education shall update the family fee
35 schedules by family size, based on the 2005 state median income
36 survey data for a family of four. The family fee schedule used
37 during the 2005–06 fiscal year shall remain in effect. However,
38 the department shall adjust the family fee schedule for families
39 that are newly eligible to receive or will continue to receive services

1 under the new income eligibility limits. The family fees shall not
2 exceed 10 percent of the family's monthly income.

3 (4) Notwithstanding any other law, the family fee schedule that
4 was in effect for the 2007–08, 2008–09, 2009–10, and 2010–11
5 fiscal years shall be adjusted to reflect the income eligibility limits
6 specified in subdivision (b) of Section 8263.1 for the 2011–12
7 fiscal year, and shall retain a flat fee per family. The revised family
8 fee schedule shall begin at income levels at which families
9 currently begin paying fees. The revised family fees shall not
10 exceed 10 percent of the family's monthly income. The State
11 Department of Education shall first submit the adjusted fee
12 schedule to the Department of Finance for approval in order to be
13 implemented by July 1, 2011.

14 (5) Notwithstanding any other law, the family fee schedule that
15 was in effect for the 2011–12 fiscal year pursuant to paragraph (4)
16 shall remain in effect for the 2012–13 fiscal year, and shall retain
17 a flat fee per family.

18 (6) It is the intent of the Legislature to fully fund the third stage
19 of child care for former CalWORKs recipients.

20 (c) With respect to subdivision (b), it is the intent of the
21 Legislature that the Department of Finance annually review
22 contract funding terms and conditions for the primary purpose of
23 ensuring consistency between ~~child-care~~ *early learning and*
24 *educational support* contracts and the ~~child-care~~ *early learning*
25 *and educational support* budget. This review shall include
26 evaluating any proposed changes to contract language or other
27 fiscal documents to which the contractor is required to adhere,
28 including those changes to terms or conditions that authorize higher
29 reimbursement rates, that modify related adjustment factors, that
30 modify administrative or other service allowances, or that diminish
31 fee revenues otherwise available for services, to determine if the
32 change is necessary or has the potential effect of reducing the
33 number of full-time equivalent children that may be served.

34 (d) Alternative payment programs, as set forth in Article 3
35 (commencing with Section 8220), shall be subject to the rates
36 established in the Regional Market Rate Survey of California Child
37 Care Providers for provider payments. The State Department of
38 Education shall contract to conduct and complete a regional market
39 rate survey no more frequently than once every two years,

1 consistent with federal regulations, with a goal of completion by
2 March 1.

3 (e) By March 1 of each year, the Department of Finance shall
4 provide to the State Department of Education the state median
5 income amount for a four-person household in California based
6 on the best available data. The State Department of Education shall
7 adjust its fee schedule for providers to reflect this updated state
8 median income; however, no changes based on revisions to the
9 state median income amount shall be implemented midyear.

10 (f) Notwithstanding the June 1 date specified in subdivision (b),
11 changes to the regional market rate schedules and fee schedules
12 may be made at any other time to reflect the availability of accurate
13 data necessary for their completion, provided these documents
14 receive the approval of the Department of Finance. The Department
15 of Finance shall review the changes within 30 working days of
16 submission and the State Department of Education shall resolve
17 conflicts within an additional 30 working day period. Contractors
18 shall be given adequate notice before the effective date of the
19 approved schedules. It is the intent of the Legislature that contracts
20 for services not be delayed by the timing of the availability of
21 accurate data needed to update these schedules.

22 (g) Notwithstanding any other law, no family receiving
23 CalWORKs cash aid may be charged a family fee.

24 ~~SEC. 122.~~

25 *SEC. 121.* Section 8448 of the Education Code is amended to
26 read:

27 8448. As used in this article:

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

30 (1) Whether the financial statements of an audited organization
31 fairly present the financial position and the results of financial
32 operations in accordance with generally accepted accounting
33 principles.

34 (2) Whether the organization has complied with laws and
35 regulations that may have a material effect upon the financial
36 statements.

37 (b) “Public accountants” means certified public accountants, or
38 state licensed public accountants.

39 (c) “Independent auditors” means public accountants who have
40 no direct or indirect relationship with the functions or activities

1 being audited or with the business conducted by any of the officials
2 or contractors being audited.

3 (d) “Generally accepted auditing standards” means the auditing
4 standards set forth in the financial and compliance element of the
5 “Government Auditing Standards” issued by the Comptroller
6 General of the United States and incorporating the audit standards
7 of the American Institute of Certified Public Accountants.

8 (e) “Direct service contract” means any contract with any public
9 or private entity for early learning and educational support
10 programs, resource and referral programs, and programs contracting
11 to provide support services, as defined in Section 8208.

12 (f) “Nonprofit organization” means an organization described
13 in Section 501(c)(3) of the Internal Revenue Code of 1954 which
14 is exempt from taxation under Section 501(a) of that code, or any
15 nonprofit, scientific, or educational organization qualified under
16 Section 23701d of the Revenue and Taxation Code.

17 (g) (1) Annually, there shall be a single independent financial
18 and compliance audit of organizations that contract with the state
19 under a direct service contract. Any such audit shall include an
20 evaluation of the accounting and control systems of the direct
21 service contractor and of the activities by the contractor to comply
22 with the financial requirements of direct service contracts received
23 by the contractor from the state agency. The financial and
24 compliance requirements to be reviewed during the audit shall be
25 those developed and published by the department in consultation
26 with the Department of Finance. Audits carried out pursuant to
27 this section shall be audits of the contractor rather than audits of
28 individual contracts or programs. In the case of any contractor that
29 receives less than twenty-five thousand dollars (\$25,000) per year
30 from any state agency, the audit required by this section shall be
31 conducted biennially, unless there is evidence of fraud or other
32 violation of state law in connection with the direct service contract.
33 The cost of the audit may be included in direct service contracts.

34 (2) The organization receiving funds from the state shall be
35 responsible for obtaining the required financial and compliance
36 audits of the organization and any subcontractors, except for direct
37 service subcontracts and other subcontracts exempt from
38 department review, as agreed to by the Departments of Finance
39 and General Services. The audits shall be made by independent
40 auditors in accordance with generally accepted auditing standards.

1 The audit shall be completed by the 15th day of the fifth month
2 following the end of the contractor’s fiscal year. A copy of the
3 required audit shall be filed with the department upon its
4 completion. In the event an audit is not filed, the department shall
5 notify the organization of the contract violation. The audit report
6 filed shall be an integral part of the direct service contract file.

7 (h) (1) Nothing in this article limits the authority of the
8 department to make audits of direct service contracts. However,
9 if independent audits arranged for by direct service contractors
10 meet generally accepted auditing standards, the department shall
11 rely on those audits and any additional audit work shall build upon
12 the work already done.

13 (2) Nothing in this article precludes the state from conducting,
14 or contracting for the conduct of, contract performance audits
15 which are not financial and compliance audits.

16 (3) Nothing in this article limits the state’s responsibility or
17 authority to enforce state law or regulations, procedures, or
18 reporting requirements arising pursuant thereto.

19 (4) Nothing in this article limits the responsibility of the
20 department to provide an independent appeal procedure according
21 to the provisions of the Administrative Procedure Act (Chapter 5
22 commencing with Section 11500) of Part 1 of Division 3 of Title
23 2) of the Government Code.

24 ~~SEC. 123.~~

25 *SEC. 122.* Section 8450 of the Education Code is amended to
26 read:

27 8450. (a) All early learning and educational support contractors
28 are encouraged to develop and maintain a reserve within the child
29 development fund, derived from earned but unexpended funds.
30 Contractors may retain all earned funds. For the purpose of this
31 section, “earned funds” are those for which the required number
32 of eligible service units have been provided.

33 (b) (1) Earned funds shall not be expended for any activities
34 proscribed by Section 8406.7. Earned but unexpended funds shall
35 remain in the contractor’s reserve account within the child
36 development fund and shall be expended only by direct-classroom
37 ~~service programs~~ *early learning services* that are funded under
38 contract with the department.

39 (2) Commencing July 1, 2011, a contractor may retain a reserve
40 fund balance, separate from the reserve fund retained pursuant to

1 subdivision (c) or (d), equal to 5 percent of the sum of the
2 maximum reimbursable amounts of all contracts to which the
3 contractor is a party, or two thousand dollars (\$2,000), whichever
4 is greater. This paragraph applies to direct-classroom-service
5 programs *early learning services* that are funded under contract
6 with the department.

7 (c) Notwithstanding subdivisions (a) and (b), a contractor may
8 retain a reserve fund balance for a resource and referral program,
9 separate from the balance retained pursuant to subdivision (b) or
10 (d), not to exceed 3 percent of the contract amount. Funds from
11 this reserve account may be expended only by resource and referral
12 programs that are funded under contract with the department.

13 (d) Notwithstanding subdivisions (a) and (b), a contractor may
14 retain a reserve fund balance for alternative payment model and
15 certificate contracts, separate from the reserve fund retained
16 pursuant to subdivisions (b) and (c). Funds from this reserve
17 account may be expended only by alternative payment model and
18 certificate programs that are funded under contract with the
19 department. The reserve amount allowed by this section may not
20 exceed either of the following, whichever is greater:

21 (1) Two percent of the sum of the parts of each contract to which
22 that contractor is a party that is allowed for administration pursuant
23 to Section 8276.7 and that is allowed for supportive services
24 pursuant to the provisions of the contract.

25 (2) One thousand dollars (\$1,000).

26 (e) Each contractor's audit shall identify any funds earned by
27 the contractor for each contract through the provision of contracted
28 services in excess of funds expended.

29 (f) Any interest earned on reserve funds shall be included in the
30 fund balance of the reserve. This reserve fund shall be maintained
31 in an interest-bearing account.

32 (g) Moneys in a contractor's reserve fund may be used only for
33 expenses that are reasonable and necessary costs as defined in
34 subdivision (l) of Section 8208.

35 (h) Any reserve fund balance in excess of the amount authorized
36 pursuant to subdivisions (b), (c), and (d) shall be returned to the
37 department pursuant to procedures established by the department.

38 (i) Upon termination of all early learning and educational
39 support contracts between a contractor and the department, all

1 moneys in a contractor’s reserve fund shall be returned to the
2 department pursuant to procedures established by the department.

3 (j) Expenditures from, additions to, and balances in, the reserve
4 fund shall be included in the agency’s annual financial statements
5 and audit.

6 ~~SEC. 124.~~

7 *SEC. 123.* Section 8493 of the Education Code is amended to
8 read:

9 8493. It is the intent of the Legislature that funds be
10 appropriated for capital outlay for purposes of providing facilities
11 for services provided pursuant to this chapter, including, but not
12 limited to, all of the following purposes:

13 (a) For the purchase of relocatable facilities by the state for lease
14 to qualifying contracting agencies in areas with no available
15 economically practical or feasible ~~child care and development~~
16 *early learning and educational support* facilities.

17 (b) For renovation and repair of ~~child care and development~~
18 *early learning and educational support* facilities in order to comply
19 with state and local health and safety standards and licensing
20 requirements, without unnecessarily increasing the value of the
21 facility.

22 ~~SEC. 125.~~

23 *SEC. 124.* Section 8494 of the Education Code is amended to
24 read:

25 8494. (a) All of the following programs, other than those
26 providing extended care services, shall be eligible to receive a loan
27 for the renovation and repair of facilities used for the program or
28 to lease relocatable facilities to be used for the program:

29 (1) Private nonprofit programs currently, or soon to be, under
30 contract with the department pursuant to Section 8262.

31 (2) Early learning and educational support programs conducted
32 pursuant to Article 4 (commencing with Section 8225).

33 (3) Early learning and educational support programs operated
34 by, or in a facility owned by, a public entity.

35 (4) Early learning and educational support programs conducted
36 pursuant to Article 7.1 (commencing with Section 54740) of
37 Chapter 9 of Part 29.

38 (b) A recipient of a loan pursuant to this section shall document
39 that the renovated facility shall comply with all laws and
40 regulations applicable to child care facilities provided for pursuant

1 to Chapter 3.4 (commencing with Section 1596.70) and Chapter
2 3.5 (commencing with Section 1596.90) of Division 2 of the Health
3 and Safety Code.

4 (c) A recipient of a loan pursuant to this section shall ensure
5 the board that the renovated facility shall be used for purposes of
6 the program for the entire loan period, which shall be determined
7 by the board as follows:

8 (1) For loans equal to or less than thirty thousand dollars
9 (\$30,000), not less than three years.

10 (2) For loans exceeding thirty thousand dollars (\$30,000), the
11 loan period shall increase one year for each additional ten thousand
12 dollars (\$10,000) or part thereof, to a maximum of fifty thousand
13 dollars (\$50,000).

14 (d) Interest on the loan principal shall be charged at a rate equal
15 to the average of the interest rate applied to the last three bond
16 sales pursuant to Chapter 21.6 (commencing with Section 17695)
17 of Part 10.

18 (e) In the event that a recipient ceases to use the renovated
19 facility for purposes of the program before the expiration of the
20 loan period, the board shall collect the entire outstanding balance
21 of the loan, plus interest, notwithstanding the loan period originally
22 set pursuant to subdivision (c), unless the board deems it
23 appropriate to waive repayment at that time.

24 (f) If the renovated facility has been continuously used for
25 purposes of the program for the entire loan period, the board shall
26 waive repayment of the amount of the loan principal, plus interest,
27 at the end of the loan period.

28 ~~SEC. 126.~~

29 *SEC. 125.* Section 8495 of the Education Code is amended to
30 read:

31 8495. (a) There is hereby created in the State Treasury the
32 State Child Care Capital Outlay Fund. Notwithstanding Section
33 13340 of the Government Code, all moneys in the State Child Care
34 Capital Outlay Fund, including moneys deposited in that fund from
35 any source whatsoever, shall be continuously appropriated without
36 regard to fiscal year for expenditure pursuant to this article. The
37 fund shall be administered by the State Allocation Board, which
38 may authorize the expenditure of any moneys in the fund for capital
39 outlay projects pursuant to Section 8277.7 or this article. Funds in
40 the State Child Care Facilities Fund set aside for the purposes of

1 providing extended day care facilities pursuant to Section 8477
2 shall be transferred to the State Child Care Capital Outlay Fund
3 upon the effective date of the act amending this section in the
4 1997–98 Regular Session.

5 (b) The Superintendent shall establish the qualifications to
6 determine the eligibility of agencies, including those that provide
7 preschool and extended day care services, to lease relocatable
8 facilities under this section.

9 (c) Although primary use of relocatable facilities shall be for
10 early learning and educational support programs, including
11 preschool and extended day care programs, those facilities may
12 be used for other purposes if the following conditions are met:

13 (1) The alternative use of the facility does not infringe upon the
14 accessibility of early learning and educational support programs
15 including preschool or extended day care programs.

16 (2) The Superintendent authorizes alternative use as being
17 compatible with early learning and educational support programs,
18 including preschool or extended day care programs.

19 (d) The State Allocation Board, with the advice of the
20 Superintendent, may do all of the following:

21 (1) Establish any procedures and policies in connection with
22 the administration of this section that it deems necessary.

23 (2) Adopt any rules and regulations for the administration of
24 this section requiring those procedures, forms, and information
25 that it deems necessary.

26 (3) Have constructed, furnished, equipped, or otherwise require
27 whatever work is necessary to place relocatable facilities for early
28 learning and educational support services, including preschool and
29 extended day care services where needed.

30 (e) The board shall lease relocatable facilities to qualifying
31 agencies providing early learning and educational support services,
32 including preschool or extended day care services, and shall charge
33 rent of one dollar (\$1) per year. The board shall require lessees to
34 undertake all necessary maintenance, repairs, renewal, and
35 replacement to ensure that a project is at all times kept in good
36 repair, working order, and condition. All costs incurred for this
37 purpose shall be borne by the lessee. Neither the board nor the
38 state shall assume any responsibility for utility services costs other
39 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) Relocatable facilities shall not be made available to an
13 agency unless the agency furnishes evidence, satisfactory to the
14 board, that the agency has no other facility available for rental,
15 lease, or purchase in the geographic service area that is
16 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 lessee’s need for
27 particular relocatable facilities that were made available to the
28 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. 127.~~

2 *SEC. 126.* 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. 128.~~

21 *SEC. 127.* 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 ensure
10 the board that the renovated facility shall be used for purposes of
11 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. 129.~~

35 *SEC. 128.* 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. 130.~~

28 *SEC. 129.* 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
34 ~~SEC. 131.~~

35 *SEC. 130.* Section 8499.3 of the Education Code is amended
36 to read:

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) 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. 132.~~

12 *SEC. 131.* 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, 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) *Develop a draft of local priorities for early learning and*
25 *educational support program funding that shall include the needs*
26 *assessment in paragraph (1) and shall consider the resources*
27 *currently available in attendance areas of elementary schools*
28 *ranked in deciles 1 to 3, inclusive, of the Academic Performance*
29 *Index pursuant to Section 52056.*

30 ~~(3)~~

31 (4) Encourage public input in the development of the priorities.
32 Opportunities for public input shall include at least one public
33 hearing during which members of the public can comment on the
34 proposed priorities.

35 ~~(4)~~

36 (5) Prepare a comprehensive countywide child care plan
37 designed to mobilize public and private resources to address
38 identified needs.

39 ~~(5)~~

1 (6) Conduct a periodic review of ~~child care~~ *early learning and*
2 *educational support* programs funded by the department and the
3 State Department of Social Services to determine if identified
4 priorities are being met.

5 ~~(6)~~

6 (7) Collaborate with subsidized and nonsubsidized providers,
7 county welfare departments, human service agencies, regional
8 centers, job training programs, employers, integrated child and
9 family service councils, local and state children and families
10 commissions, parent organizations, early start family resource
11 centers, family empowerment centers on disability, local resource
12 and referral programs, and other interested parties to foster
13 partnerships designed to meet local child care needs.

14 ~~(7)~~

15 (8) Design a system to consolidate local child care waiting lists,
16 if a centralized eligibility list is not already in existence.

17 ~~(8)~~

18 (9) Coordinate part-day programs, including California state
19 preschool and Head Start, with other early learning and educational
20 support services to provide full-day care.

21 ~~(9)~~

22 (10) Submit the results of the needs assessment and the local
23 priorities identified by the local planning council to the county
24 board of supervisors and the county superintendent of schools for
25 approval before submitting them to the department.

26 ~~(10)~~

27 (11) Identify at least one, but not more than two, members to
28 serve as part of the department team that reviews and scores
29 proposals for the provision of services funded through contracts
30 with the department. Local planning council representatives may
31 not review and score proposals from the geographic area covered
32 by their own local planning council. The department shall notify
33 each local planning council whenever this opportunity is available.

34 (c) The department shall, in conjunction with the State
35 Department of Social Services and all appropriate statewide
36 agencies and associations, develop guidelines for use by local
37 planning councils to assist them in conducting needs assessments
38 that are reliable and accurate. The guidelines shall include
39 acceptable sources of demographic and child care data, and
40 methodologies for assessing child care supply and demand.

1 (d) The department shall allocate funding within each county
2 in accordance with the priorities identified by the local planning
3 council of that county and submitted to the department pursuant
4 to this section, unless the priorities do not meet the requirements
5 of state or federal law.

6 (e) *When additional funds for direct early learning services are*
7 *appropriated by the Legislature, the department shall allocate*
8 *funding within each county in accordance with the priorities that*
9 *include the review of resources in the attendance areas of*
10 *elementary schools ranked in deciles 1 to 3, inclusive, of the*
11 *Academic Performance Index pursuant to Section 52056, as*
12 *identified by the local planning council of that county and*
13 *submitted to the department pursuant to paragraph (3) of*
14 *subdivision (b), unless the priorities do not meet the requirements*
15 *of state or federal law.*