

## CHILD CARE PACKAGE

Pages 14 through 19 of the Education Agenda are addressed in this package which:

- Deletes funding that had previously been appropriated for caseload growth and redirects those dollars to high need areas (*\$-19 million; 2009-10 Budget Act*).
- Restores Child Care Services for CalWORKs families and families transitioning off CalWORKs (*\$211.6 million; Page, Education 15*).
- Eliminates the Extended Day Care program, which is largely redundant with the Proposition 49-funded After School programs; retains funding for services from July 1 until the start of school to ensure no children are immediately displaced, and adopts language to ensure that children receive priority placement in other subsidized programs (*\$-26.8 million; 2009-10 Budget Act*).
- Denies the Administration's proposal to reduce child care slots to account for overpayments (*\$36 million; Page, Education 17*).
- Appropriates *\$110 million* in ARRA federal stimulus funds in order to both hold program levels constant and increase child care slots (*\$15.4 million*) in the voucher program (*Page, Education 18-19*).
- Uses federal dollars that are required to be spent on child care "quality" to ensure the continued licensing of family child care homes through the Community Care Licensing Program (*\$5.3 million; 2009-10 Budget Act*).
- Rejects the Administration's proposal to increase family fees, which would have doubled fees in the case of the lowest income families. Instead the Legislature requests that the Administration return with a more equitable rate structure for consideration as part of next year's budget deliberations (*\$14.4 million Page, Education 14*).
- Holds constant the Regional Market Reimbursement rates at the 2005 levels, reimbursing up to a maximum of the 85th percentile (*\$-2 million; Page, Education 16*).
- Partially restores the base reductions adopted in February in order to retain child care slots at a time when we most need them (*\$30 million; 2009-10 Budget Act*).
- Denies Administration proposal to delete funding for ROC/P and Adult Education CalWORKs Services (*\$9.9 million Page, Education 13*).

## CHILD CARE AND DEVELOPMENT LANGUAGE: ATTACHMENT A

### Vote Only List – Item 2 State Median Income Mid-Year "Correction"

#### Agenda, Page 14 Family Fee Schedule

#### Amend Item 6110-196-0001, Provision 8

(a) Notwithstanding any other provision of law, the income eligibility limits pursuant to Section 8263.1 of the Education Code that were applicable in effect to for the 2007-08 and 2008-09 fiscal years shall remain in effect for the 2009-10 fiscal year.

(b) Notwithstanding any other provision of law, the family fee schedule that was in effect for the 2007-08 and 2008-09 fiscal years shall remain in effect for the 2009-10 fiscal year, and shall retain a flat fee per family. The State Department of Social Services Education shall retain authority to adjust the family fee schedule in future years. ~~in consultation with the State Department of Education, adjust the family fee schedule for child care providers to reflect a state median income of \$66,166 annually for a family of four. The fee schedule shall retain a flat fee per family and begin at income levels at which families currently begin paying fees. The revised fee schedule shall increase the lowest fees by \$2 per day and continue to increase fees on a sliding scale up to a maximum of 10 percent of income at a lower point in the income eligibility spectrum when compared to the current schedule.~~

~~(c) Notwithstanding any other provision of law, the State Department of Social Services shall submit the revised family fee schedule for approval by the Department of Finance no later than 15 days after enactment of the 2009 Budget Act. The Department of Finance shall approve or revise the fee schedule within 30 days of receipt and shall notify the Department of Education of the approved fee schedule, which shall implement the new fee schedule for the 2009-10 fiscal year without delay.~~

## CHILD CARE AND DEVELOPMENT LANGUAGE: ATTACHMENT B

### Vote Only List – Item 3

#### Repeal Education Code Section 8278

#### Item 6110-196-0001

Sec X. Section 8278 of Education Code is Repealed.

~~8278. (a) Notwithstanding any other provision of law, child development appropriations, with the exception of funds appropriated for the After School Learning and Safe Neighborhoods Partnerships Program pursuant to Article 22.5 (commencing with Section 8482) and for CalWORKs child care pursuant to Article 22.5 (commencing with Section 8482) and for CalWORKs child care pursuant to Sections 8353 and 8354, shall be available for expenditure for three years, except that funds remaining unencumbered at the end of the first fiscal year shall revert to the General Fund.~~

~~———— (b) The Superintendent of Public Instruction shall establish criteria and procedures for the reallocation of unearned contract funds in the second and third years of availability, in accordance with the following priorities:~~

~~———— (1) First, for the accounts payable to the State Department of Education.~~

~~———— (2) Second, to reimburse alternative payment programs for the provision of additional services, in accordance with Section 8222.1~~

~~———— (3) Third, for one time expenditures that will benefit children in subsidized child care, which include, but are not limited to, the purchase of materials approved by the State Department of Education for deferred and major maintenance of existing facilities, respite care, and implementation of capacity building activities, which include new facilities, training, and technical assistance. Notwithstanding any other provision of law, the allocation for these one time expenditures may not be made unless approved in the annual Budget Act.~~

## CHILD CARE AND DEVELOPMENT LANGUAGE: ATTACHMENT C

### Vote Only List – Item 4

#### Issue 332

#### Item 6110-196-0001, Provision 6

6. (c) The State Department of Education (SDE) shall ~~develop~~ provide a plan by October 1, 2009, for reducing overpayments and recovering payments from child care and development programs that the SDE has determined to have been made in error related either to potential fraud or overpayments. The plan shall be submitted to the Department of Finance for by October 1, 2009 for consideration and potential inclusion in the January Governor's Budget. ~~and approval for reducing overpayments and recovering payments from child care and development programs that the SDE has determined to have been made in error related either to potential fraud or overpayments.~~ The SDE plan shall provide options and recommendations for payment recovery that seek to maximize California's receipt and use of federal funds, and for implementing aggressive corrective measures to minimize payment errors. Such corrective measures may include including, but not limited to, rebidding contracts for contractors with high error rates, modifying the contract funding terms and conditions to require reductions to administrative allowances for contractors that exceed specified maximum error rates, and to prohibit payment to providers that continue to submit erroneous reports for reimbursement purposes. Prior to submitting recommendations, the SDE shall review options with the Department of Social Services and representatives of alternate payment providers, counties that directly administer Stage 1, and state funded centers and family day care homes. ~~When approved by the Department of Finance, the elements of the plan that can be implemented without statutory changes shall be implemented no sooner than 30 days after notification in writing of the necessity to the chairperson of the committees in each house of the Legislature that considers appropriations and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee or designee may determine. The SDE shall promulgate emergency regulations to implement the plan by March 1, 2010.~~

## **CHILD CARE AND DEVELOPMENT LANGUAGE: ATTACHMENT D**

### **Vote Only List – Item 7**

#### **Issue 300**

#### **Item 6110-196-0001**

### **Early Learning Advisory Council (ELAC) Language**

#### **Add Section XXX to the Education Code, as follows:**

The California Early Learning Advisory Council (“Advisory Council”) is hereby established for the purpose of meeting the requirements of Section 642 B (b)(1)(A)(i) of the Head Start Act, 42 USC 9837B (B)(1)(A)(i).

The Early Learning Quality Improvement System Advisory Committee (“Advisory Committee”), established pursuant to Section 8300 of the Education Code, is hereby designated as an official subcommittee of the Advisory Council.

The Advisory Council shall consist of 21 members who shall include the 13 members of the Advisory Committee, or subsequent appointed members of the Advisory committee.

The additional 8 members of the Advisory Council shall be:

The State Director of Head Start Collaboration;

One (1) representative from the State Educational Agency, appointed by the governor;

One (1) representative of the state agency responsible for health or mental health care, appointed by the governor;

One (1) representative of California institutions of higher education, appointed by the Speaker of the Assembly;

One (1) representative of organizations providing parents with consumer information on early care and education programs and services, appointed by the Senate Committee on Rules ;

One (1) representative of Head Start agencies located in the state, appointed by the Speaker of the Assembly;

One (1) additional representative, appointed by the Governor; and

One (1) additional representative, appointed by the Senate Committee on Rules.

The Secretary of Education, the Superintendent of Public Instruction, and the Chairperson of the California Children and Families Commission, or their designees, shall serve as co-chairs of the Advisory Council. The co-chairs shall determine governance and staffing of the Advisory Council.

The Advisory Council shall meet no less frequently than twice each fiscal year and upon the call of the chairpersons at a time and location convenient to the public. All meetings shall be open in accordance with Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of Government Code.

The Advisory Council may establish additional committees and other methods for engaging stakeholders and the public in order to create opportunities for broad-based input and the exchange of viewpoints and ideas.

No General Fund expenditures shall be required to fund the work of the Advisory Council. The advisory committee shall be established only after funds from non-General Fund sources are secured for administrative purposes. The Superintendent shall apply to the California Children and Families Commission for funding to cover committee costs, including, but not limited to, staff support and travel expenses.

The Advisory Council's primary purpose is to develop and recommend to the Governor and Legislature a comprehensive plan for the state's early care and education system for children from birth to kindergarten entry that maximizes and coordinates federal, state and local investments. The Advisory Council shall, to the extent possible:

1. Develop and recommend a statewide plan for making maximum use of federal dollars, including federal Early Learning Challenge Grants.
2. Conduct a statewide needs assessment on the accessibility and quality of existing early care and education programs;
3. Identify opportunities for collaboration and coordination among entities carrying out federally funded and state-funded child development, child care, and early childhood education programs;
4. Develop recommendations for increasing the overall participation of children in existing Federal, State, and local child care and early childhood education programs, including outreach to underrepresented and special populations;
5. Develop recommendations for establishing a unified data collection system for publicly funded programs offering early childhood education, development, and services;
6. Develop recommendations for a statewide professional development and career plan for early childhood education and care; and,
7. Assess the capacity and effectiveness of two- and four-year public and private institutions of higher education toward supporting the development of early childhood educators.

## CHILD CARE AND DEVELOPMENT LANGUAGE: ATTACHMENT E

### Vote Only List – Item 8

#### Issue 245

#### Item 6110-196-0001, Amend Provisional Language

“3. Funds in Schedule (1.5)(l) shall be reserved for activities to improve the quality and availability of child care, pursuant to the following:

(a) ~~\$1,964,262~~ \$1,930,629 is for the schoolage care and resource and referral earmark.

(b) ~~\$11,062,664~~ \$10,873,244 is for the infant and toddler earmark and shall be used for increasing the supply of quality child care for infants and toddlers.

(c) \$2,969,000 in one-time federal funding is available for use in the 2009-10 fiscal year. ~~First priority shall be to fully fund Trustline workload as determined by the Department of Social Services in conjunction with the Department of Education.~~ **The remaining funds shall be used for child care and development quality expenditures identified by the State Department of Education (SDE) and approved by the Department of Finance. The Early Learning Quality Improvement System Advisory Committee as established by Chapter 307 of the Statutes of 2008.**

(d) From the remaining funds in Schedule 1.5 (l), the following amounts shall be allocated for the following purposes: \$4,000,000 to train former CalWORKs recipients as child care teachers, for which administrative costs shall be minimized to allow for maximum enrollment with priority for funding given to programs at community colleges that have demonstrated high completion rates; \$2,500,000 for training license-exempt child care providers with priority given to participants serving subsidized children; \$2,700,000 ~~\$2,700,000~~ **\$8,000,000** for contracting with the State Department of Social Services (DSS) for increased inspections of child care facilities, ~~facilities; \$1,000,000 for Trustline registration workload (Chapter 3.35 (commencing with Section 1596.60) of Division 2 of the Health and Safety Code), Code); \$500,000 for health and safety training for licensed and exempt child care providers, providers; \$300,000 for the Health Hotline, Hotline;~~ and \$300,000 to implement a technical assistance program to child care providers in accessing financing for renovation, expansion, or construction of child care facilities. **Of the amount in this provision, first priority shall be to fully fund Trustline workload as determined by the Department of Social Services in conjunction with the Department of Education.**”

## **CHILD CARE AND DEVELOPMENT LANGUAGE: ATTACHMENT F**

### **Vote Only List – Item 9**

#### **New Issue**

#### **Item 6110-196-0001**

### **Amend Education Code Section 8279.7, as follows:**

(a) The Legislature recognizes the importance of providing quality child care services. It is, therefore, the intent of the Legislature to assist counties in improving the retention of qualified child care employees who work directly with children who receive state-subsidized child care services.

(b) It is further the intent of the Legislature, in amending this section during the ~~2005-2006~~ 2009-2010 Regular Session, to address the unique challenges of the County of Los Angeles, in which an estimated average of 60,000 low-income children per month receive subsidized child care in nonstate-funded child care settings and an additional 50,000 eligible children are waiting for subsidized services.

(c) (1) Except as provided in paragraph (2), the funds appropriated for the purposes of this section by paragraph (11) of Schedule (b) of Item 6110-196-0001 of Section 2.00 of the Budget Act of 2000 (Ch. 52, Stats. 2000), and that are described in subdivision (i) of Provision 7 of that item, and any other funds appropriated for purposes of this section, shall be allocated to local child care and development planning councils based on the percentage of state-subsidized, center-based child care funds received in that county, and shall be used to address the retention of qualified child care employees in state-subsidized child care centers.

(2) Of the funds identified in paragraph (1), funds qualified pursuant to subparagraphs (A) to (C), inclusive, may also be used to address the retention of qualified persons working in licensed child care programs that serve a majority of children who receive subsidized child care services pursuant to this chapter, including, but not limited to, family day care homes as defined in Section 1596.78 of the Health and Safety Code. To qualify for use pursuant to this paragraph, the funds shall meet all of the following requirements:

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



(B) The funds are appropriated

[REDACTED]

*in the annual Budget Act.*

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

(d) The department shall develop guidelines for use by local child care and development planning councils in developing county plans for the expenditure of funds allocated pursuant to this section.

These guidelines shall be consistent with the department's assessment of the current needs of the subsidized child care workforce, and shall be subject to the approval of the Secretary for Education and the Department of Finance. Any county plan developed pursuant to these guidelines shall be approved by the department prior to the allocation of funds to the local child care and development planning council.

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

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

**CHILD CARE AND DEVELOPMENT LANGUAGE: ATTACHMENT G**

**New Issue**

**Item 6110-196-0001**

**Elimination of School Age Community Child Care Services (Extended Day) Program:**

Add Section 8481 to the Education Code as follows:

*This article shall become inoperative on September 1, 2009.*

Add Provision XX, Item 6110-196-0001, as follows:

*The funds appropriated in Schedule (i) 30.10.020.015 for Extended Day Care, shall be available to provide services through August 31, 2009. It is the intent of the Legislature than any children that may be displaced as a result of this program becoming inoperative be provided services under the state's subsidized child care and/or After School Education and Safety Program.*

## **CHILD CARE AND DEVELOPMENT LANGUAGE: ATTACHMENT H**

### **Agenda, Page 16 Regional Market Rates**

#### **Amend Item 6110-196-0001, Provision 1 (b)**

Notwithstanding any other provision of law, the funds appropriated in this item for the cost of licensed child care services provided through alternative payment or voucher programs including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education code shall be used only to reimburse child care costs up to the ~~75<sup>th</sup>~~ 85<sup>th</sup> percentile of the rates charged by providers offering the same type of child care for the same age of child in that region effective ~~July 1, 2009~~, based on the 2007-2005 Regional Market Rate Survey data.