



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

Code: Section:

[Up^](#) [Add To My Favorites](#)

WELFARE AND INSTITUTIONS CODE - WIC

DIVISION 9. PUBLIC SOCIAL SERVICES [10000 - 18999.98] (*Division 9 added by Stats. 1965, Ch. 1784.*)

PART 1.8. Child Care and Development Services Act [10207 - 10492.2] (*Part 1.8 added by Stats. 2021, Ch. 116, Sec. 260.*)

CHAPTER 10. Administration [10265 - 10277.5] (*Chapter 10 added by Stats. 2021, Ch. 116, Sec. 260.*)

10265. (a) The Legislature finds and declares that the effectiveness of child care and development programs can be increased through improved state administration, technical assistance to provider agencies, and monitoring.

(b) It is the intent of the Legislature:

- (1) That the department develop clear, consistent, and appropriate regulations for child care and development programs to replace policy guidelines which are not subject to the public hearing process, often inconsistent, and without the force of law.
- (2) That the department make better use of staff with direct field experience in child development programs.
- (3) That better criteria be developed for the awarding, evaluating, and renewal of child care and development contracts.
- (4) That improvements be made in the method of reimbursing child care and development program providers.
- (5) That increased effort be made to provide program operators with technical assistance in meeting their contractual obligations.

(*Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.*)

10265.5. The department shall do all of the following:

- (a) Establish a toll-free number for programs which receive funds from the state department pursuant to this chapter and which are in need of technical assistance to the extent that funds are made available for the purposes of this subdivision by Senate Bill 1674 of the 1984 portion of the 1983–84 Regular Session. This subdivision shall become inoperative on and after January 1, 1986.
- (b) Gather information and act as a central clearinghouse on parenting materials.
- (c) Develop procedures for annually evaluating the field services and the program support which is to be provided to the contracting agencies.

(*Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.*)

10266. The department shall do all of the following in administering the provisions of this chapter:

- (a) Apply sanctions against contracting agencies that have serious licensing violations, as defined and reported by the department pursuant to Section 1597.11 of the Health and Safety Code.
- (b) Except in the case of immediate terminations taken pursuant to Sections 10398 and 10399, provide 90 days' written notification to any contractor whose agreement is being terminated. Notwithstanding Chapter 23 (commencing with Section 10390), the department shall establish procedures for placing a contractor whose agreement is being terminated into receivership. Action to initiate receivership shall be at the discretion of the department, and may be taken against a contractor whose agreement is being terminated either immediately or within 90 days. The receiver shall not be a department employee. The receiver shall have sufficient experience in the administration of child care and development programs to ensure compliance with the terms of the receivership.

(*Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.*)

10266.5. (a) No person employed by the department in a policymaking position in the area of child care and development programs shall serve as a member of the board of directors, advisory council, or advisory committee for any agency receiving funds pursuant

to this chapter. The provisions of this subdivision shall not apply to any person appointed prior to January 1, 1985.

(b) No retired, dismissed, separated, or formerly employed person of the state department employed under the State Civil Service or otherwise appointed to serve in the state department may enter into a contract pursuant to Section 10268.5 in which the person engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decisionmaking process relevant to the contract while employed in any capacity by the department. The prohibition contained in this subdivision shall apply to the person only during the two-year period beginning on the date the person left state employment.

(c) For a period of 12 months following the date of their retirement, dismissal, or separation from state service, no person employed under State Civil Service or otherwise appointed to serve in the state department may enter into a contract pursuant to Section 10268.5 if they were employed by the department in a policymaking position in the area of child care and development programs within the 12-month period prior to their retirement, dismissal, or separation.

(d) For a period of 12 months following the date of their retirement, dismissal, or separation from state service, no person employed under State Civil Service or otherwise appointed to serve in the department may be employed by a contractor pursuant to Section 10268.5 if they engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decisionmaking process relevant to the contract while employed in any capacity by the department.

(e) The provisions of subdivisions (b), (c), and (d) shall not apply to any persons who were already in the situations described by these subdivisions prior to January 1, 1985.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10267. The department shall develop and coordinate resources, provide technical assistance, monitor program implementation, generate maximum federal reimbursement wherever possible for the federally eligible children, and facilitate alternative funding for those children for whom federal funds are not available.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10267.5. (a) The department shall adopt rules and regulations pursuant to this chapter. The rules and regulations shall include, but not be limited to, provisions that do all of the following:

(1) Provide clear guidelines for the selection of agencies when child development contracts are let, including, but not limited to, specification that any agency headquartered in the proposed service area on January 1, 1985, will be given priority for a new contract in that area, unless the department makes a written determination that (A) the agency is not able to deliver the level of services specified in the request for proposal, or (B) the department has notified the agency that it is not in compliance with the terms of its contract.

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

(3) Specify adequate standards of agency performance.

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

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

(6) Set forth standards for department site visits to contracting agencies, including, but not limited to, specification as to the purpose of the visits, the personnel that will perform these visits, and the frequency of these visits which shall be as frequently as staff and budget resources permit.

(7) Authorize the department to develop a process that may require every contracting agency to recompetes for continued funding no less frequently than every five years.

(b) For purposes of expediting the implementation of state or federal legislation to expand childcare services, the department may do any of the following:

(1) Utilize an alternative application process in which the department will evaluate the ability and standing of existing contractors in determining allocation methodology and eligibility for funding.

(2) Waive the regulations regarding the point qualifications for, and the process and scoring of, applications of contract applicants pursuant to Section 18002 of Title 5 of the California Code of Regulations.

(3) Waive the time limitations for scheduling and notification of appeal hearings and their results pursuant to Section 18003 of Title 5 of the California Code of Regulations. The department shall ensure that the appeal hearings provided for in Section 18003 of Title 5 of the California Code of Regulations are conducted in a timely manner.

(c) (1) Childcare and development programs operated under contract from funds made available pursuant to the federal Child Care and Development Fund shall be administered according to Chapter 19 (commencing with Section 17906) of Division 1 of Title 5 of the California Code of Regulations, unless provisions of these regulations conflict with federal regulations. If state and federal regulations conflict, the federal regulations shall apply unless a waiver of federal regulations is authorized.

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

(Amended by Stats. 2024, Ch. 73, Sec. 22. (SB 163) Effective July 2, 2024.)

10268. For purposes of meeting state and federal reporting requirements and for the effective administration of child care and development programs, the department is authorized to require the collection and submission of social security numbers of heads of households, and other information as required, from public and private agencies contracting with the department pursuant to this part, including local educational agencies.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10268.5. Notwithstanding Section 14616 of the Government Code, the department may enter into and execute local contractual agreements with any public or private entity or agency for the delivery of child care and development services or the furnishing of property, facilities, personnel, supplies, equipment, and administrative services related to the delivery of child care development services. Prior to entering into or executing a local agreement, the department shall obtain annual approval from the Department of General Services and the Department of Finance as to the form and general content thereof. The agreements may only be made for the delivery of child care and development services, or the furnishing of property, facilities, personnel, supplies, equipment, or administrative services related thereto, which conform with the provisions of this chapter.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10269. Contractors operating or providing services pursuant to this chapter may do both of the following:

(a) (1) Maintain records electronically, in compliance with state and federal standards, as determined by the department. A conversion from a paper record to an electronic format, as well as the storage of the electronic record, shall comply with the minimum standards described in Section 12168.7 of the Government Code and the standards for trustworthy electronic document or record preservation described in Chapter 15 (commencing with Section 22620.1) of Division 7 of Title 2 of the California Code of Regulations.

(2) The records shall be retained by each contractor for at least five years, or, where an audit has been requested by a state agency, until the date the audit is resolved, whichever is longer.

(3) This subdivision does not require a contractor to create records electronically.

(b) (1) Use a digital signature that complies with state and federal standards, as determined by the department, that may be a marking that is either computer generated or produced by electronic means and is intended by the signatory to have the same effect as a handwritten signature.

(2) The use of a digital signature shall have the same force and effect as the use of a manual signature if the requirements for the digital signatures and their acceptable technology, as provided in Section 16.5 of the Government Code and in Chapter 10 (commencing with Section 22000) of Division 7 of Title 2 of the California Code of Regulations, are satisfied.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10269.5. Contractors operating or providing services pursuant to this chapter may use digital forms to allow families to apply for services, if those forms comply with state and federal standards.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10270. On and after the date on which the department determines that the Financial Information System for California (Fi\$Cal Project) has been implemented within the department, at the request of a contractor, for a contract executed by the department pursuant to Section 10268.5, the department shall request the Controller to make a payment via direct deposit by electronic funds transfer through the Fi\$Cal Project into the contractor's account at the financial institution of the contractor's choice.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10270.5. (a) In contract transfer situations in programs funded pursuant to this chapter, the department may grant a certificate of operation to child care and development facilities pursuant to this section.

(b) For purposes of maintaining continuity of services to children and receipt of state and federal child nutrition and child development funding, the department may grant a certificate of operation to any child care and development facility which meets all of the following conditions:

(1) A representative of the department has visited the facility and verified, in writing, to the department's licensing agency that the facility has no deficiencies at the time of granting the certificate of operation which would endanger the physical health, mental health, safety, or welfare of the children.

(2) Without a certificate of operation in lieu of a license from the department, the facility would be ineligible to receive state and federal child nutrition or child development funds.

(c) A facility issued a certificate of operation pursuant to this section shall be deemed to be operating under licensing standards for child care and development facilities specified by Chapters 3.4 (commencing with Section 1596.70), 3.5 (commencing with Section 1596.90), and 3.6 (commencing with Section 1597.30) of Division 2 of the Health and Safety Code and by Title 22 of the California Code of Regulations for the term specified on the certificate.

(d) A facility granted a certificate of operation shall submit a completed license application to the department within 15 working days of the issuance of the certificate of operation. Failure to meet this requirement will result in the cancellation of the certificate of operation. The certificate of operation shall expire upon the issuance or denial of a license by the department.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10271. (a) (1) The department shall adopt rules and regulations on eligibility, enrollment, and priority of services needed to implement this part. In order to be eligible for federal and state subsidized child development services, families shall meet at least one requirement in each of the following areas:

(A) A family is (i) a current aid recipient, (ii) income eligible, (iii) homeless, (iv) one whose children are recipients of protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited, or (v) one who has a member of its household who is certified to receive benefits from Medi-Cal, CalFresh, the California Food Assistance Program, the California Special Supplemental Nutrition Program for Women, Infants, and Children, the federal Food Distribution Program on Indian Reservations, Head Start, Early Head Start, or any other designated means-tested government program, as determined by the department. If a family is deemed eligible pursuant to clause (v), the family shall be prioritized by the income declared on the application for the means-tested government program.

(B) A family needs the childcare services (i) because the child is identified by a legal, medical, or social services agency, a local educational agency liaison for homeless children and youths designated pursuant to Section 11432(g)(1)(J)(ii) of Title 42 of the United States Code, a Head Start program, or an emergency or transitional shelter as (I) a recipient of protective services, (II) being neglected, abused, or exploited, or at risk of neglect, abuse, or exploitation, or (III) being homeless or (ii) because the parents are (I) engaged in vocational training leading directly to a recognized trade, paraprofession, or profession, (II) engaged in an educational program for English language learners or to attain a high school diploma or general educational development certificate, (III) employed or seeking employment, (IV) seeking permanent housing for family stability, or (V) incapacitated.

(2) If only one parent has signed an application for enrollment in childcare services, as required by this part or regulations adopted to implement this part, and the information provided on the application indicates that there is a second parent who has not signed the application, the parent who has signed the application shall self-certify the presence or absence of the second parent under penalty of perjury. The parent who has signed the application shall not be required to submit additional information documenting the presence or absence of the second parent.

(b) Except as provided in Chapter 21 (commencing with Section 10370), priority for federal and state subsidized child development services is as follows:

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

(2) Second priority shall be given equally to eligible families, regardless of the number of parents in the home, who are income eligible. Within this priority, families with the lowest gross monthly income in relation to family size, as determined by a schedule adopted by the department, shall be admitted first. If two or more families are in the same priority in relation to income, the family

that has a child with exceptional needs shall be admitted first. If there is no family of the same priority with a child with exceptional needs, the family of the same priority in which the primary home language is a language other than English shall be admitted first. If there is no family of the same priority in which the primary home language is a language other than English, the family of the same priority that has been on the waiting list for the longest time shall be admitted first. For purposes of determining order of admission, grants of public assistance recipients shall be counted as income.

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

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

(d) A physical examination and evaluation, including age-appropriate immunization, shall be required before, or within six weeks of, enrollment. A standard, rule, or regulation shall not require medical examination or immunization for admission to a childcare and development program of a child whose parent or guardian files a letter with the governing board of the childcare and development program stating that the medical examination or immunization is contrary to the parent's or guardian's religious beliefs, or provide for the exclusion of a child from the program because of a parent or guardian having filed the letter. However, if there is good cause to believe that a child is suffering from a recognized contagious or infectious disease, the child shall be temporarily excluded from the program until the governing board of the childcare and development program is satisfied that the child is not suffering from that contagious or infectious disease.

(e) Regulations formulated and promulgated pursuant to this section shall include the recommendations of the State Department of Health Care Services relative to health care screening and the provision of health care services. The department shall seek the advice and assistance of these health authorities in situations where service under this part includes or requires care of children who are ill or children with exceptional needs.

(f) The department shall establish guidelines for the collection of employer-sponsored childcare benefit payments from a parent whose child receives subsidized childcare and development services. These guidelines shall provide for the collection of the full amount of the benefit payment, but not to exceed the actual cost of childcare and development services provided, notwithstanding the applicable fee based on the fee schedule.

(g) The department shall establish guidelines according to which the director or a duly authorized representative of the childcare and development program will certify children as eligible for state reimbursement pursuant to this section.

(h) (1) Except as provided in paragraphs (3) to (5), inclusive, upon establishing initial eligibility or ongoing eligibility for services under this part, a family shall be considered to meet all eligibility and need requirements for those services for not less than 24 months, shall receive those services for not less than 24 months before having their eligibility or need recertified, and shall not be required to report changes to income or other changes for at least 24 months.

(2) In the event that the eligibility period as described in paragraph (1) ends before the end of a program year, eligibility shall be extended until the end of the program year, as long as applicable age-eligibility requirements are met, as specified in Section 10213.5.

(3) A family that establishes initial eligibility or ongoing eligibility on the basis of income shall report increases in income that exceed the threshold for ongoing income eligibility as described in subdivision (b) of Section 10271.5, and the family's ongoing eligibility for services shall at that time be recertified.

(4) A family may at any time voluntarily report income or other changes. This information shall be used, as applicable, to reduce the family's fees, increase the family's services, or extend the period of the family's eligibility before recertification.

(5) If a family already receiving services pursuant to this part adds an additional child to the family size and the family requests services for that child during the current eligibility period, the family's eligibility period shall be extended, as necessary, to ensure that the additional child receives at least 12 months of eligibility for services before a redetermination of eligibility, as required pursuant to Section 98.21 of Title 45 of the Code of Federal Regulations.

(i) (1) Because a family that meets eligibility requirements at its most recent eligibility certification or recertification is considered eligible until the next recertification, as provided in subdivision (h), a payment made by a child development program for a child

during this period shall not be considered an error or an improper payment due to a change in the family's circumstances during that same period.

(2) Notwithstanding paragraph (1), the department may seek to recover payments that are the result of fraud.

(j) (1) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) and Section 33308.5 of the Education Code, until regulations are filed with the Secretary of State to implement subdivision (h), the department shall implement subdivision (h) through management bulletins or similar letters of instruction on or before October 1, 2017.

(2) The department shall initiate a rulemaking action to implement subdivision (h) on or before December 31, 2018. The department shall convene a workgroup of parents, advocates, department staff, child development program representatives, and other stakeholders to develop recommendations regarding implementing subdivision (h).

(k) (1) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) and Section 33308.5 of the Education Code, until regulations are filed with the Secretary of State, the department shall implement the changes made to subdivision (h) by the act that added this subdivision through management bulletins or similar letters of instruction on or before December 1, 2023.

(2) The department shall initiate a rulemaking action to implement the changes made to subdivision (h) by the act that added this subdivision on or before December 31, 2024.

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

(Amended by Stats. 2025, Ch. 13, Sec. 7. (SB 120) Effective June 27, 2025.)

10271.5. (a) For purposes of establishing initial income eligibility for services under this chapter, "income eligible" means that a family's adjusted monthly income is at or below 85 percent of the state median income, adjusted for family size, as specified in subdivision (c).

(b) For purposes of establishing ongoing income eligibility under this chapter, "ongoing income eligible" means that a family's adjusted monthly income is at or below 85 percent of the state median income, adjusted for family size, as specified in subdivision (c).

(c) The Department of Finance shall calculate the state median income for family sizes of one to four, inclusive, by using the most recent census data available on state median family income in the past 12 months by family size. The Department of Finance shall calculate the state median income for family sizes of five and above by using the most recent census data for a family of four and multiplying this number by the ratios for the appropriate family size used in the federal Low-Income Home Energy Assistance Program (42 U.S.C. Sec. 8621 et seq.) and specified in federal regulations at paragraphs (5), (6), and (7) of subdivision (b) of Section 96.85 of Title 45 of the Code of Federal Regulations. The Department of Finance shall update its calculations of the state median income for families according to the methodology provided in this subdivision and provide the updated data to the department no later than March 1 of each fiscal year.

(d) The income of a recipient of federal supplemental security income benefits pursuant to Title XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program benefits pursuant to Title XVI of the federal Social Security Act and Chapter 3 (commencing with Section 12000) of Part 3 shall not be included as income for purposes of determining eligibility for childcare under this chapter.

(e) Payments made on behalf of a child pursuant to Section 11460, 11461.3, 11461.36, or 11461.4 shall not be included as income for purposes of determining eligibility for childcare under this chapter.

(f) Notwithstanding any other law, guaranteed income payments received by an individual shall not be included as income for purposes of determining eligibility for childcare under this chapter. For purposes of this subdivision, "guaranteed income payments" are defined as unconditional, recurring, regular cash payments, whether publicly or privately funded, that are intended to support the basic needs of eligible recipients, including, but not limited to, payments provided through pilot programs and projects receiving funding from the California Guaranteed Income Pilot Program (Chapter 16 (commencing with Section 18997) of Part 6).

(g) (1) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer subdivisions (e) and (f) by all-county letters, bulletins, or similar written instructions until regulations are adopted.

(2) The department shall adopt regulations implementing subdivisions (e) and (f) no later than July 1, 2025.

(Amended by Stats. 2022, Ch. 571, Sec. 47. (AB 185) Effective September 27, 2022.)

10271.6. (a) To calculate a family's adjusted monthly income for purposes of determining income eligibility or calculating a family fee, the calculation shall be done by the use of an income calculation worksheet, and in accordance with subdivisions (b) and (c).

(b) When a family's income is regular and steady, the adjusted monthly income shall be determined by the use of an income calculation worksheet that specifies all of the following:

(1) The frequency of the pay periods.

(2) The gross amount of the payroll check stubs.

(3) All other sources of countable income to determine the adjusted monthly income, as defined in Section 18078 of Title 5 of the California Code of Regulations, as any of the following:

(A) Weekly for 52 pay periods.

(B) Every two weeks for 26 pay periods.

(C) Twice monthly for 24 pay periods.

(D) Monthly for 12 pay periods.

(c) When a family experiences income fluctuation, as defined in Section 18078 of Title 5 of the California Code of Regulations, a family may choose to provide up to the 12 preceding months of income information as necessary for purposes of determining income eligibility or calculating a family fee. The adjusted monthly income shall be determined by averaging the total countable income from at least two months, as applicable based on the income provided, to determine average adjusted monthly income for purposes of determining income eligibility or calculating a family fee.

(d) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer this section by all-county letters, bulletins, or similar written instructions until regulations are adopted. The department shall adopt regulations implementing this section no later than July 1, 2026.

(e) This section shall become operative on January 1, 2024.

(Added by Stats. 2023, Ch. 41, Sec. 14. (AB 116) Effective July 10, 2023. Operative January 1, 2024, by its own provisions.)

10271.7. (a) For purposes of establishing eligibility for services under this part, "a member of the household who is certified to receive benefits from Medi-Cal, CalFresh, the California Food Assistance Program, the California Special Supplemental Nutrition Program for Women, Infants, and Children, the federal Food Distribution Program on Indian Reservations, Head Start, Early Head Start, or any other designated means-tested government program, as determined by the department" means either of the following:

(1) A member of the household has been certified as eligible to receive benefits or services in any of those programs. The family shall provide documentation of current enrollment in the program, unless the contracting agency has, and elects to use, other means of obtaining verification of that enrollment.

(2) A contracting agency has determined a member of the household is eligible for Head Start or Early Head Start services.

(b) Families qualifying for eligibility under clause (v) of subparagraph (A) of paragraph (1) of subdivision (a) of Section 10271 shall have the income declared on the application for the means-tested government program as its income for the purposes of prioritizing enrollment and calculating family fees.

(c) Notwithstanding the rulemaking provision of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer this section through the issuance of guidance or other written directives.

(Added by Stats. 2022, Ch. 923, Sec. 7. (SB 1047) Effective January 1, 2023.)

10272. (a) Notwithstanding any other law, effective July 1, 2011, the department shall reduce the maximum reimbursable amounts of the contracts for the Preschool Education Program, the General Child Care Program, the Migrant Day Care Program, the Alternative Payment Program, the CalWORKs Stage 3 Program, and the Allowance for Disabled Program by 11 percent or by whatever proportion is necessary to ensure that expenditures for these programs do not exceed the amounts appropriated for them, including any reductions made subsequent to the adoption of the annual Budget Act. The department may consider the contractor's performance or whether the contractor serves children in underserved areas as defined in subdivision (ag) of Section 10213.5 when determining contract reductions, provided that the aggregate reduction to each program specified in this subdivision is 11 percent or

by whatever proportion is necessary to ensure that expenditures for these programs do not exceed the amounts appropriated for them, including any reductions made subsequent to the adoption of the annual Budget Act.

(b) Notwithstanding any other law, effective July 1, 2011, families shall be disenrolled from subsidized child care services, consistent with the priorities for services specified in subdivision (b) of Section 10271. Families shall be disenrolled in the following order:

- (1) Families whose income exceeds 70 percent of the state median income (SMI) adjusted for family size, except for families whose children are receiving child protective services or are at risk of being neglected or abused.
- (2) Families with the highest income below 70 percent of the SMI, in relation to family size.
- (3) Families that have the same income and have been enrolled in child care services the longest.
- (4) Families that have the same income and have a child with exceptional needs.
- (5) Families whose children are receiving child protective services or are at risk of being neglected or abused, regardless of family income.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10272.5. (a) Notwithstanding any other law, and in addition to any reductions applied pursuant to Section 10272, effective July 1, 2012, the department shall reduce the maximum reimbursable amounts of the contracts for the General Child Care Program, the Migrant Day Care Program, the Alternative Payment Program, the CalWORKs Stage 3 Program, and the Allowance for Disabled Program by 8.7 percent or by whatever proportion is necessary to ensure that expenditures for these programs do not exceed the amounts appropriated for them, as adjusted for any reductions in appropriations made subsequent to the adoption of the annual Budget Act. The department may consider the contractor's performance or whether the contractor serves children in underserved areas as defined in subdivision (ag) of Section 10213.5 when determining contract reductions, provided that the aggregate reduction to each program specified in this subdivision is 8.7 percent or whatever proportion is necessary to ensure that expenditures for these programs do not exceed the amounts appropriated for them, as adjusted for any reductions in appropriations made subsequent to the adoption of the annual Budget Act.

(b) Notwithstanding any other law, effective July 1, 2012, families shall be disenrolled from subsidized child care services, consistent with the priorities for services specified in subdivision (b) of Section 10271. Families shall be disenrolled in the following order:

- (1) Families with the highest income in relation to family size.
- (2) Families that have the same income and have been enrolled in child care services the longest.
- (3) Families that have the same income and have a child with exceptional needs.
- (4) Families whose children are receiving child protective services or are at risk of being neglected or abused, regardless of family income.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10273. (a) The preferred placement for children who are 11 or 12 years of age and who are otherwise eligible for subsidized child care and development services shall be in a before or after school program.

(b) Children who are 11 or 12 years of age shall be eligible for subsidized child care services only for the portion of care needed that is not available in a before or after school program provided pursuant to Article 22.5 (commencing with Section 8482) of, or Article 22.6 (commencing with Section 8484.7) of, Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code. Contractors shall provide each family of an eligible 11 or 12 year old with the option of combining care provided in a before or after school program with subsidized child care in another setting, for those hours within a day when the before or after school program does not operate, in order to meet the child care needs of the family.

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

(d) If an 11 or 12-year-old child who is enrolled in a subsidized child development program becomes ineligible for subsidized child care under subdivision (b) and is disenrolled from the before or after school program, or if the before or after school program no longer meets the child care needs of the family, the child shall be given priority to return to the subsidized child care services upon the parent's notification of the contractor of the need for child care.

(e) This section does not apply to an 11 or 12 year old child with a disability, including a child with exceptional needs who has an individualized education program as required by the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.),

Section 504 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794), or Part 30 (commencing with Section 56000) of Division 4 of Title 2 of the Education Code.

(f) The savings generated each contract year by the implementation of the changes made to this section by the act amending this section during the 2005–06 Regular Session shall remain with each alternative payment program, child development center, or other contractor for the provision of child care services, except for care provided by programs pursuant to Chapter 21 (commencing with Section 10370).

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10273.5. By July 1, 1981, and annually thereafter, the State Department of Health Care Services shall provide a mechanism for the delivery of health screening and followup services for children enrolled in child care and development programs for whom there are no appropriate health services accessible by referral.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10274. The department may waive or modify child development requirements in order to enable child development programs to serve combinations of eligible children in areas of low population. The child development programs for which the department may grant waivers shall include, but need not be limited to, migrant child care and development programs and general child care and development programs.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10274.5. The department may provide outreach services and technical assistance to new child care contracting agencies and to those providing child care during nontraditional times, in underserved geographic areas, and for children with special child care needs, including infants and toddlers under three years of age.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10275. (a) The department shall establish rules and regulations for the staffing of all center-based child care and development programs under contract with the department.

(1) Priority shall be given by the department to the employment of persons in child development programs with ethnic backgrounds which are similar to those of the child for whom child development services are provided.

(2) For purposes of staffing child care and development programs, the role of a teacher in child supervision means direct supervision of the children as well as supervision of aides and groups of children.

(3) Family child care homes shall operate pursuant to adult/child ratios prescribed in Chapter 7 (commencing with Section 86001) of Division 6 of Title 22 of the California Code of Regulations.

(b) Approval by the department of any ongoing or new programs seeking to operate under the ratios and standards established by the department under this chapter shall be based upon the following considerations:

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

(2) The ability of the department to implement a funding source change.

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

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

(c) The department shall apply for waivers of federal requirements as are necessary to carry out this section.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10275.5. Until the department promulgates regulations for center-based programs establishing staffing ratios, the following staffing ratios shall apply:

(a) Infants, 0 to 2 years old—1:3 adult-child ratio, 1:18 teacher-child ratio.

(b) Infants and toddlers, 0 to 2 years old—1:4 adult-child ratio, 1:16 teacher-child ratio.

(c) Children 3 to 6 years old—1:8 adult-child ratio, 1:24 teacher-child ratio.

(d) Children 6 to 10 years old—1:14 adult-child ratio, 1:28 teacher-child ratio.

(e) Children 10 to 13 years old—1:18 adult-child ratio, 1:36 teacher-child ratio.

(f) If groups of children of varying ages are commingled, the teacher and adult ratios shall be proportionate and appropriate to the ages and groups of children.

(Added by Stats. 2021, Ch. 116, Sec. 260. (AB 131) Effective July 23, 2021.)

10276. (a) A child care and development program funded pursuant to the federal Child Care and Development Fund, as defined in Section 98.2 of Title 45 of the Code of Federal Regulations, shall provide notice to a childcare provider of a change in reimbursement amounts for childcare services, a change in the hours of care, rates, or schedules, an increase or decrease in parent fees, a termination of services, including, but not limited to, a family's change in provider, or any changes to the family's eligibility status that may impact payment. For purposes of this section, the notice shall occur either electronically, if requested by the childcare provider, or via the United States Postal Service. The program shall send the notice, as well as the effective date of any change described in this subdivision, no later than the day the program becomes aware that the change will occur.

(b) The notification shall not be deemed a violation of the parent's confidentiality, but as a method to ensure the proper administration of subsidy funds.

(c) (1) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer this section by all-county letter or similar directive until regulations are adopted.

(2) The department shall adopt emergency regulations implementing this section no later than July 1, 2026. The department may readopt any emergency regulation authorized by this section that is the same as, or substantially equivalent to, any emergency regulation previously adopted pursuant to this section. The initial adoption of regulations pursuant to this section and one readoption of emergency regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. Initial emergency regulations and one readoption of emergency regulations authorized by this section shall be exempt from review by the Office of Administrative Law. The initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State, and each shall remain in effect for no more than 180 days, by which time final regulations shall be adopted.

(d) This section shall become operative on September 1, 2022.

(Added by Stats. 2022, Ch. 62, Sec. 23. (AB 210) Effective June 30, 2022. Operative September 1, 2022, by its own provisions.)

10277. (a) On or before March 1, 2024, each county and contractor that reimburses childcare providers for the provision of state-funded subsidized childcare and development services shall develop, implement, and publish a plan for timely payment to childcare providers. The plan shall include all of the following:

(1) A provision requiring that, in accordance with Section 98.45 of Title 45 of the Code of Federal Regulations, childcare providers shall be paid within 21 calendar days of the submission of either of the following:

(A) A complete monthly attendance record or invoice, as defined in subdivision (f) of Section 10227.5, for providers accepting subsidy vouchers.

(B) Daily sign-in and sign-out sheets, as referenced in Section 18065 of Title 5 of the California Code of Regulations, for providers participating in a family childcare home education network.

(2) A schedule for the payment of services that shall be signed by the childcare provider.

(3) A provision requiring that if a provider submits attendance records or invoices for multiple children and not all individual records or invoices within the submission include adequate information to provide a payment, payments shall not be withheld for those records or invoices that include adequate information to provide a payment.

(4) Procedures that establish clear processes and timelines to resolve overpayment and underpayment issues, which shall include provider written consent to recover any overpayment.

(5) A provision that if a county or contractor is unable to issue reimbursement payments within 21 calendar days pursuant to the requirement specified in paragraph (1) due to extenuating circumstances, including, but not limited to, an emergency or payment system malfunction, the impacted provider shall be notified within a reasonable timeframe of the county or contractor becoming aware of the circumstance causing the delay of reimbursement payment.

(b) Counties and contractors shall publish the plans developed pursuant to this section for childcare providers to access and reference. The plans shall be published in documents available to providers, such as provider handbooks and individual provider

agreements, as appropriate.

(c) The department shall support counties and contractors with the development and implementation of the plans prepared pursuant to this section and in compliance with the requirement for timely payments. If the department becomes aware that a county or contractor is not complying with the requirements of this section, the department may issue a finding of noncompliance, and the county or contractor may be subject to corrective action.

(d) A childcare provider may submit a monthly attendance record or invoice, as defined in subdivision (f) of Section 10227.5, without a parent's signature when the parent has not communicated with the provider for a minimum of seven consecutive days, the provider has notified the county or contractor of the parent's lack of communication in accordance with Section 18066.5 of Title 5 of the California Code of Regulations, and the county or contractor has documented the provider's unsuccessful attempts to collect a signature.

(e) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer this section by all-county letters, bulletins, or similar written instructions until regulations are adopted.

(f) The department shall initiate a rulemaking action to adopt regulations implementing this section no later than July 1, 2026.

(g) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 10426, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(Added by Stats. 2023, Ch. 193, Sec. 9. (SB 140) Effective September 13, 2023.)

10277.1. (a) Funding shall be allocated to the State Department of Social Services from funds in Schedule (3) of Item 5180-101-0001 of the Budget Act of 2023 and the Budget Act of 2025 and to the State Department of Education from funds specified in Schedule (1) of Item 6100-194-0001 and Schedule (1) of 6100-196-0001 of the Budget Act of 2023, the Budget Act of 2024, and the Budget Act of 2025 to provide a once-per-month, per-child-served who is enrolled in subsidized childcare cost of care plus rate.

(b) (1) Of the funding described in subdivision (a), the Legislature hereby allocates funds to the State Department of Social Services and the State Department of Education to provide family childcare providers with the monthly cost of care plus rate commencing January 1, 2024, and through June 30, 2026, inclusive. The amount per child shall range between ninety-eight dollars (\$98) and two hundred eleven dollars (\$211) per month to be determined based on the family childcare provider type and the region in which the family childcare provider is located pursuant to paragraphs (2) and (3). The state shall provide the amount of the monthly costs of care plus rate for all family childcare providers serving children described in this paragraph based on the number of subsidized children enrolled. This monthly rate shall be issued to family childcare providers based on monthly child enrollments for subsidized childcare and development and state preschool programs.

(2) Per child rate amounts shall be as follows:

(A) For family childcare providers in the central region, ninety-eight dollars (\$98) per each license-exempt family childcare provider, and one hundred forty dollars (\$140) per each licensed family childcare provider.

(B) For family childcare providers in the northern region, ninety-nine dollars (\$99) per each license-exempt family childcare provider, and one hundred forty-one dollars (\$141) per each licensed family childcare provider.

(C) For family childcare providers in the southern region, one hundred twelve dollars (\$112) per each license-exempt family childcare provider, and one hundred sixty dollars (\$160) per each licensed family childcare provider.

(D) For family childcare providers in the Los Angeles region, one hundred nineteen dollars (\$119) per each license-exempt family childcare provider, and one hundred seventy-one dollars (\$171) per each licensed family childcare provider.

(E) For family childcare providers in the bay area region, one hundred forty-eight dollars (\$148) per each license-exempt family childcare provider, and two hundred eleven dollars (\$211) per each licensed family childcare provider.

(3) Regions are defined as follows:

(A) The central region includes the Counties of Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Monterey, Sacramento, San Benito, San Joaquin, San Luis Obispo, Stanislaus, and Tulare.

(B) The northern region includes the Counties of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Mono, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne, Yolo, and Yuba.

(C) The southern region includes the Counties of Imperial, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura.

(D) The Los Angeles region includes the County of Los Angeles only.

(E) The bay area region includes the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma.

(c) (1) Funding shall be allocated to the State Department of Social Services from funds in Schedule (3) of Item 5180-101-0001 of the Budget Act of 2025 and to the State Department of Education from funds specified in Provision 6 of Schedule (1) of Item 6100-194-0001 and Schedule (1) of 6100-196-0001 of the Budget Act of 2025 to provide a once-per-month, per-child-served who is enrolled in subsidized childcare cost of care plus rate.

(2) (A) Of the funding described in paragraph (1), the Legislature hereby allocates funds to the State Department of Social Services and the State Department of Education to provide family childcare providers with the monthly cost of care plus rate commencing July 1, 2025, and through June 30, 2026, inclusive. The amount per child shall be equal to the amounts described in subdivision (b) increased by the percentage calculated in clause (iii) of subparagraph (B). The state shall provide the amount of the monthly costs of care plus rate for all family childcare providers serving children described in this paragraph based on the number of subsidized children enrolled. This monthly rate shall be issued to family childcare providers based on monthly child enrollments for subsidized childcare and development and state preschool programs.

(B) The Department of Finance shall make the following calculations based on data provided by the State Department of Social Services and the State Department of Education:

(i) The total cost of providing the statutory cost of living adjustment for childcare programs and State Preschool programs operated by nonlocal educational agencies in the 2025–26 fiscal year pursuant to subdivision (b) of Section 10280 of this code and paragraph (2) of subdivision (b) of Section 42238.15 of the Education Code. These programs include alternative payment programs, including migrant alternative payment programs pursuant to Chapter 3 (commencing with Section 10225), migrant childcare and development programs pursuant to Chapter 6 (commencing with Section 10235), general childcare and development programs pursuant to Chapter 7 (commencing with Section 10240), family childcare home education networks pursuant to Chapter 8 (commencing with Section 10250), and childcare and development services for children with special needs pursuant to Chapter 9 (commencing with Section 10260) of this part, and the California state preschool program pursuant to Chapter 2 (commencing with Section 8200) of Part 6 of Division 1 of Title 1 of the Education Code, and exclude state preschool programs operated by local educational agencies.

(ii) The estimated cost of providing the monthly cost of care plus rates described in subdivision (b) of this section and subdivision (b) of Section 10277.2 in the 2025–26 fiscal year, excluding costs for state preschool programs operated by local educational agencies, based on the estimates of child enrollment in 2025–26 provided by the State Department of Social Services and State Department of Education, respectively.

(iii) Divide the amount calculated in clause (i) by the amount calculated in clause (ii).

(d) (1) Of the funding described in subdivision (a), the Legislature hereby allocates funds to the State Department of Social Services and the State Department of Education to provide family childcare providers with a one-time payment. This payment is due to providers no later than November 30, 2023. The payment amounts shall be based on provider type pursuant to paragraph (2). The one-time payment shall be applicable to all family childcare providers who were reimbursed for subsidized childcare and development or state preschool program services in the month of April 2023.

(2) One-time payment amounts shall be determined as follows:

(A) Five hundred dollars (\$500) per each license-exempt family childcare provider.

(B) Two thousand five hundred dollars (\$2,500) per each family childcare provider licensed to operate a small family daycare home, as defined in subdivision (c) of Section 1596.78 of the Health and Safety Code.

(C) Three thousand dollars (\$3,000) per each family childcare provider licensed to operate a large family daycare home, as defined in subdivision (b) of Section 1596.78 of the Health and Safety Code.

(e) The monthly reimbursement rate described in this section shall be payable to family childcare providers operating or serving programs pursuant to Chapter 3 (commencing with Section 10225) of, Chapter 6 (commencing with Section 10235) of, Chapter 7 (commencing with Section 10240) of, Chapter 8 (commencing with Section 10250) of, Chapter 9 (commencing with Section 10260) of, or Chapter 21 (commencing with Section 10370) of, Part 1.8 of Division 9 of this code, or the Emergency Child Care Bridge Program for Foster Children pursuant to Chapter 2 (commencing with Section 11461.6) of Part 2 of this code, or Chapter 2 (commencing with Section 8200) of Part 6 of Division 1 of Title 1 of the Education Code.

(f) In addition to the monthly rates and one-time payments described in this section, the State Department of Education and the State Department of Social Services shall provide state preschool programs, alternative payment and direct contract programs, or any other agency designated to distribute payments to these providers with a 10-percent administrative fee for processing the monthly rates and a 5-percent administrative fee for processing the one-time payments. For payments provided after June 30, 2025, the 10-percent administrative fee for processing the monthly rates shall only apply to the monthly rate amounts specified in subdivision (b).

(g) The State Department of Education shall allocate funding to California state preschool contracting agencies for distribution of rates and payments pursuant to this section to the family childcare providers participating in a state preschool program family childcare home education network, and the State Department of Social Services shall allocate funding to contracting agencies for distribution of rates and payments pursuant to this section to family childcare providers participating in subsidized childcare and development programs administered by the State Department of Social Services.

(h) The State Department of Education and the State Department of Social Services shall exchange any essential data necessary to issue payments to family childcare providers.

(i) The state may designate another agency or agencies to distribute the funds described in subdivision(e) to family childcare providers. Funds allocated pursuant to this section shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, the Public Contract Code and the State Contracting Manual, and shall not be subject to the review or approval of the Department of General Services.

(j) For purposes of this section, a "family childcare provider" means a provider who participates in a state-funded early care and education program, as defined in subdivision (b) of Section 10421.

(k) Nothing in this section shall be construed to limit the authority of childcare contractors and providers to pass on rates and one-time payments pursuant to this section to their employees in the form of compensation, including, but not limited to, salaries, wages, and direct benefits.

(l) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 10426, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(Amended by Stats. 2025, Ch. 13, Sec. 8. (SB 120) Effective June 27, 2025.)

10277.2. (a) Funding shall be allocated to the State Department of Social Services from funds in Schedule (3) of Item 5180-101-0001 of the Budget Act of 2023 and the Budget Act of 2025 and to the State Department of Education from funds specified in Schedule (1) of Item 6100-194-0001 and Schedule (1) of 6100-196-0001 of the Budget Act of 2023, the Budget Act of 2024, and the Budget Act of 2025 to provide a once-per-month, per-child served who is enrolled in a subsidized childcare program cost of care plus rate.

(b) (1) Of the funding described in subdivision (a), the Legislature hereby allocates funds to the State Department of Social Services and the State Department of Education to provide centers with the monthly cost of care plus rate commencing January 1, 2024, and through June 30, 2026, inclusive. The amount per child shall range between one hundred forty dollars (\$140) and two hundred eleven dollars (\$211), per month, to be determined based on the region in which the center is located pursuant to paragraphs (2) and (3). The state shall provide the amount of the monthly cost of care plus rate for all centers serving children described in this paragraph based on the number of subsidized children enrolled. This monthly rate shall be issued to centers based on monthly child enrollments for subsidized childcare and development and state preschool programs.

(2) Per-child rate amounts shall be as follows:

(A) For centers in the central region, one hundred forty dollars (\$140).

(B) For centers in the northern region, one hundred forty-one dollars (\$141).

(C) For centers in the southern region, one hundred sixty dollars (\$160).

(D) For centers in the Los Angeles region, one hundred seventy-one dollars (\$171).

(E) For centers in the bay area region, two hundred eleven dollars (\$211).

(3) Regions are defined as follows:

(A) The central region includes the Counties of Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Monterey, Sacramento, San Benito, San Joaquin, San Luis Obispo, Stanislaus, and Tulare.

(B) The northern region includes the Counties of Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Mono, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou, Sutter, Tehama, Trinity, Tuolumne, Yolo, and Yuba.

(C) The southern region includes the Counties of Imperial, Orange, Riverside, San Bernardino, San Diego, Santa Barbara, and Ventura.

(D) The Los Angeles region includes the County of Los Angeles only.

(E) The bay area region includes the Counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma.

(c) (1) Funding shall be allocated to the State Department of Social Services from funds in Schedule (3) of Item 5180-101-0001 of the Budget Act of 2025 and to the State Department of Education from funds specified in Schedule (1) of Item 6100-194-0001 of the Budget Act of 2025 and Schedule (1) of 6100-196-0001 of the Budget Act of 2025 to provide a once-per-month, per-child-served who is enrolled in subsidized childcare cost of care plus rate.

(2) Of the funding described in paragraph (1), the Legislature hereby allocates funds to the State Department of Social Services and the State Department of Education to provide centers with the monthly cost of care plus rate commencing July 1, 2025, and through June 30, 2026, inclusive. The amount per child shall be equal to the amounts described in subdivision (b) increased by the percentage calculated in clause (iii) of subparagraph (B) of paragraph (2) of subdivision (c) of Section 10277.1. The state shall provide the amount of the monthly cost of care plus rate for all centers serving children described in this paragraph based on the number of subsidized children enrolled. This monthly rate shall be issued to centers based on monthly child enrollments for subsidized childcare and development and state preschool programs.

(3) If this subdivision is in conflict with a memorandum of understanding reached pursuant to Section 10426, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(d) Of the funding described in subdivision (a), the Legislature hereby allocates funds to the State Department of Social Services and the State Department of Education to provide centers with a one-time payment amount of three thousand dollars (\$3,000) in the 2023–24 fiscal year. The three-thousand-dollar (\$3,000) payment shall be provided to all centers who provided subsidized childcare and development or state preschool program services in the month of April 2023.

(e) The monthly and one-time payments described in this section shall be payable to centers operating or serving programs pursuant to Chapter 3 (commencing with Section 10225) of, migrant childcare and development programs pursuant to Chapter 6 (commencing with Section 10235) of, a general childcare and development program pursuant to Chapter 7 (commencing with Section 10240) of, a family childcare home education network pursuant to Chapter 8 (commencing with Section 10250) of, childcare and development services for children with special needs pursuant to Chapter 9 (commencing with Section 10260) of, or the CalWORKs Stage 1, Stage 2, or Stage 3 program pursuant to Chapter 21 (commencing with Section 10370) of, Part 1.8 of Division 9 of this code, or the Emergency Child Care Bridge Program for Foster Children pursuant to Chapter 2 (commencing with Section 11461.6) of Part 2 of this code, or Chapter 2 (commencing with Section 8200) of Part 6 of Division 1 of Title 1 of the Education Code.

(f) In addition to the monthly rates and one-time payments described in this section, the State Department of Education and the State Department of Social Services shall provide contractors, or any other agency designated to distribute payments to these centers, with a 10-percent administrative fee for processing the monthly rates and a 5-percent administrative fee for processing the one-time payments. For payments provided after June 30, 2025, the 10-percent administrative fee for processing the monthly rates shall only apply to the monthly rate amounts specified in subdivision (b).

(g) The State Department of Education shall allocate funding for distribution of payments to state preschool program contractors, and the State Department of Social Services shall allocate funding for distribution of payments to contractors participating in State Department of Social Services subsidized childcare and development programs.

(h) The State Department of Education and the State Department of Social Services shall exchange any essential data necessary to issue payments to centers.

(i) The state may designate another agency or agencies to distribute the funds described in subdivision(d) to centers. Contracts or grants awarded pursuant to this section shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code. Contracts or grants awarded pursuant to this section shall be exempt from the Public Contract Code and the State Contracting Manual and shall not be subject to the review or approval of the Department of General Services.

(j) Nothing in this section shall be construed to limit the authority of childcare contractors and providers to pass on rates and flat-rate one-time payments pursuant to this section to their employees in the form of compensation, including, but not limited to, salaries, wages, and direct benefits.

10277.3. (a) (1) To support family childcare providers, as defined in subdivision (b) of Section 10421, and encourage their participation in training, forty million dollars (\$40,000,000) was previously appropriated for the establishment of the Joint Child Care Providers United - State of California Training Partnership Fund pursuant to subdivision (b) of Section 264 of Chapter 116 of the Statutes of 2021.

(2) Effective July 1, 2024, and upon full ratification of the memorandum of understanding between the Child Care Providers United - California and the State of California, funding shall be allocated to the State Department of Social Services from funds in Schedule (3) of Item 5180 of the Budget Act of 2024 to make a single additional contribution of up to fifteen million dollars (\$15,000,000) to the fund described in paragraph (1) within 90 days of receipt of an annual report of the fund's expenditures to restore the fund's balance to fifteen million dollars (\$15,000,000) if the remaining balance is less than that amount.

(3) Thirty days prior to making the additional contribution specified in paragraph (2), the State Department of Social Services and the Department of Finance shall provide a notice to the Senate Health and Human Services budget subcommittees, Assembly and Senate Education budget subcommittees, and the Legislative Analyst's Office of the intended amount of the additional contribution for purposes of implementing paragraph (2).

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 10426, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(Added by Stats. 2023, Ch. 193, Sec. 12. (SB 140) Effective September 13, 2023.)

10277.4. (a) (1) One hundred million one hundred thousand dollars (\$100,100,000) was previously appropriated for the establishment and administration of the Child Care Providers United - California (CCPU) Workers Health Care Fund pursuant to Schedule 3 of Item 5180-101-0001 of the Budget Act of 2022 for the purpose of providing health care benefits to family childcare providers, as defined in subdivision (b) of Section 10421.

(2) In accordance with the memorandum of understanding between CCPU and the State of California, CCPU shall provide the state with an annual report to detail the distribution of funds from the prior year and any remaining balance.

(3) Effective April 1, 2024, funding shall be allocated to the State Department of Social Services from funds in Schedule (3) of Item 5180 of the Budget Act of 2023 to make a single additional contribution to restore the balance to one hundred million dollars (\$100,000,000) if the remaining balance reported in the annual report is less than that amount.

(4) Thirty days prior to making the additional contribution specified in paragraph (3), the State Department of Social Services and the Department of Finance shall provide a notice to the Senate Health and Human Services budget subcommittees, Assembly and Senate Education budget subcommittees, and the Legislative Analyst's Office of the intended amount of the additional contribution for purposes of implementing paragraph (3).

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 10426, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(Added by Stats. 2023, Ch. 193, Sec. 13. (SB 140) Effective September 13, 2023.)

10277.5. (a) One hundred thousand dollars (\$100,000) is hereby appropriated from the General Fund to the State Department of Social Services in the 2023–24 fiscal year for a one-time contribution payable to Child Care Provider United – California (CCPU), or its designee, for the establishment of the CCPU Retirement Trust.

(b) Eighty million dollars (\$80,000,000) is hereby appropriated from the General Fund to the State Department of Social Services in the 2023–24 fiscal year for a lump-sum contribution to the trust established pursuant to subdivision (a) for the purpose of providing retirement benefits to family childcare providers, as defined in subdivision (b) of Section 10421. This appropriation shall not require the state to assume any administrative or fiduciary responsibilities related to the trust, which shall be the sole responsibilities of CCPU and its designated trust administrator.

(c) In accordance with the memorandum of understanding between CCPU and the State of California, CCPU shall provide the state with an annual report to detail the distribution of funds from the prior year and any remaining balance.

(d) (1) Effective July 1, 2024, funding shall be allocated to the State Department of Social Services from funds in Schedule (3) of Item 5180 of the Budget Act of 2024 to make a single additional contribution to the trust established pursuant to subdivision (a) to

restore the balance to eighty million dollars (\$80,000,000) within 90 days of receiving the annual report if the remaining balance reported in the annual report is less than that amount.

(2) Thirty days prior to making the additional contribution specified in paragraph (1), the State Department of Social Services and the Department of Finance shall provide a notice to the Senate Health and Human Services budget subcommittees, Assembly and Senate Education budget subcommittees, and the Legislative Analyst's Office of the intended amount of the additional contribution for purposes of implementing paragraph (1).

(e) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 10426, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

(Added by Stats. 2023, Ch. 193, Sec. 14. (SB 140) Effective September 13, 2023.)