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SB-1047 Early learning and care. (2021-2022)

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Senate Bill No. 1047

CHAPTER 923

An act to amend Sections 8207, 8208, and 8263 of, and to add Section 8213.5 to, the Education Code, and to amend Section 10271 of, and to add Section 10271.7 to, the Welfare and Institutions Code, relating to early learning and care.

[Approved by Governor September 30, 2022. Filed with Secretary of State September 30, 2022.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1047, Limón. Early learning and care.

The Child Care and Development Services Act, administered by the State Department of Social Services, requires the department to administer childcare and development programs that offer a full range of services to eligible children from infancy to 13 years of age, inclusive. The Early Education Act requires the Superintendent of Public Instruction to, among other things, provide an inclusive and cost-effective preschool program. Both acts require that families meet specified requirements to be eligible for federal- and state-subsidized childcare and development services and preschool programs, including, among other requirements, that the family needs childcare services or full-day preschool because, among other reasons, the family is homeless, the child's parents are seeking employment or permanent housing, or the child's parents are employed. The Child Care and Development Services Act requires, upon establishing eligibility for services, a family to be considered to meet all eligibility and need requirements for services and to receive those services without being required to report income or other changes for at least 12 months, except as specified.

This bill would extend eligibility for childcare and development programs and the preschool program to families in which a member of the family has been certified as eligible to receive benefits from certain means-tested government programs, including Medi-Cal and CalFresh, as specified, and would require those families to submit a self-certification of income for the purposes of prioritizing enrollment and calculating family fees. The bill would also extend the time a family is to be considered to meet all eligibility and need requirements for services to 24 months, except as specified, and would require the State Department of Social Services to implement that requirement through management bulletins or similar letters of instruction on or before December 1, 2023, and until regulations are adopted.

This bill would incorporate additional changes to Section 8208 of the Education Code proposed by AB 185 to be operative only if this bill and AB 185 are enacted and this bill is enacted last.

This bill would incorporate additional changes to Section 8208 of the Education Code proposed by SB 185 to be operative only if this bill and SB 185 are enacted and this bill is enacted last.

This bill would incorporate additional changes to Section 10271 of the Welfare and Institutions Code proposed by AB 321 to be operative only if this bill and AB 321 are enacted and this bill is enacted last.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

- (a) The first five years of life are uniquely important for a child's growth and development, and set the foundation for lifelong health, well-being, and success. Young children's experiences and interactions with parents, caregivers, and educators shape the architecture of the brain and strengthen their cognitive, social, and emotional development.
- (b) Research shows that quality learning experiences during children's critical early years of brain development are pivotal to their success in school, health and well-being, and life prospects.
- (c) Family childcare and early learning and care programs, including family childcare, with a two-generation, whole-child approach that integrate comprehensive health and family supports hold great promise for children and families.
- (d) Ensuring access to quality early learning and care, especially for those children and families most marginalized and excluded from opportunity, can help mitigate the impact of systemic racism and poverty and narrow disparities based on income and race.
- (e) Families with young children, especially infants and toddlers, will benefit from strengthening the mixed delivery early learning and care system, including family childcare, community-based programs, and schools.
- (f) The annual Budget Act for the 2019–20 fiscal year required the state to adopt a Master Plan for Early Learning and Care to ensure comprehensive, quality, and affordable childcare for children from birth to schoolage.
- (g) Building a more coherent and integrated early learning and care system and continuum will better meet the needs of children, families, and early learning and care providers.

SEC. 2. Section 8207 of the Education Code is amended to read:

8207. (a) The Superintendent shall administer all California state preschool programs. Those programs shall include, but not be limited to, part-day and full-day age and developmentally appropriate programs, offered through childcare centers and family childcare home education networks, that are designed to facilitate the transition to kindergarten for three- and four-year-old children and that provide early learning and care, health services, social services, nutritional services, parent education and parent participation, evaluation, and staff development, and that comply with all applicable statutory and regulatory requirements, including, but not limited to, Section 1596.955 of the Health and Safety Code. Preschool programs for which federal reimbursement is not available shall be funded as prescribed by the Legislature in the Budget Act, and unless otherwise specified by the Legislature, shall not use federal funds made available through Title XX of the federal Social Security Act (42 U.S.C. Sec. 1397).

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

(c) A full-day California state preschool program shall operate for a minimum of 246 days per year, unless the contract specifies a lower number of days of operation.

(d) Any agency described in subdivision (a) of Section 8205 as an "applicant or contracting agency" is eligible to contract to operate a California state preschool program.

(e) 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.

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

(g) School districts and charter schools that administer a California state preschool program may place four-year-old children in a transitional kindergarten program classroom in accordance with subdivisions (h) to (j), inclusive, of Section 48000.

(h) California state preschool programs shall include all of the following:

- (1) Age- and developmentally appropriate activities for children.
- (2) Supervision.
- (3) Parenting education and parent engagement.

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

(5) Health services.

(6) Nutrition.

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

(i) The Superintendent shall adopt rules and regulations related to the administration of this chapter, including rules and regulations related to eligibility, enrollment, and priority of services. Regulations shall also include the recommendations of the State Department of Health Care Services relative to health care screening and the provision of health care services. The Superintendent shall seek the advice and assistance of these health authorities in situations where service under this chapter includes or requires care of children who are ill or have exceptional needs.

SEC. 3. Section 8208 of the Education Code is amended to read:

8208. (a) (1) A three- or four-year-old child is eligible for the part-day California state preschool program if the child's family is one of the following:

(A) A current aid recipient.

(B) Income eligible.

(C) Homeless.

(D) One whose children are recipients of child protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited.

(E) (i) One that has children with exceptional needs, as defined in Section 8205.

(ii) Only the children in the family who are children with exceptional needs may be enrolled under the eligibility criteria of this subparagraph. Any other child in the family without exceptional needs may be enrolled pursuant to any of the criteria established in subparagraphs (A) to (D), inclusive.

(F) 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. Children eligible for services pursuant to this subparagraph shall be prioritized by the income declared on the application for the means-tested government program.

(2) Notwithstanding any other law, a part-day California state preschool program may provide services to children in families whose income is no more than 15 percent above the income eligibility threshold, as described in Section 8213, after all eligible three- and four-year-old children have been enrolled. No more than 10 percent of children enrolled, calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.

(3) Notwithstanding any other law, after all otherwise eligible children have been enrolled as provided in paragraphs (1) and (2), a part-day California state preschool program may provide services to three- and four-year-old children in families whose income is above the income eligibility threshold if those children are children with exceptional needs. Children receiving services pursuant to this paragraph shall not count towards the 10-percent limit in paragraph (2).

(4) Notwithstanding any other law, after all otherwise eligible children have been enrolled as provided in paragraphs (1) to (3), inclusive, a provider operating a part-day state preschool program within the attendance boundary of a public school, as set forth in Section 8217, may enroll four-year-old children.

(b) A part-day California state preschool program contracting agency shall certify eligibility and enroll families into their program within 120 calendar days prior to the first day of the beginning of the new preschool year. Subsequent to enrollment, a child shall be deemed eligible for a part-day California state preschool program for the remainder of the program year and for the following program year, as long as applicable age-eligibility requirements are met, as specified in Sections 8205 and 48000.

(c) (1) (A) Commencing July 1, 2022, until June 30, 2023, inclusive, at least 5 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(B) Commencing July 1, 2023, to June 30, 2024, inclusive, at least 7.5 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section

8205.

(C) Commencing July 1, 2024, at least 10 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205, and serve those children.

(2) (A) The department shall review data on compliance and provide technical assistance to California state preschool program contracting agencies to assist them in meeting the requirement described in paragraph (1).

(B) Agencies shall be fully funded for the percentage of enrollment specified in paragraph (1), inclusive of the exceptional needs adjustment factor for that enrollment pursuant to Section 8244, to ensure funding is available to enroll children with exceptional needs within the set aside specified in paragraph (1) at any point during the fiscal year. An agency not meeting the requirement to fill the percent of funded enrollment specified in paragraph (1) with children with exceptional needs shall conduct community outreach to special education partners to recruit additional children with exceptional needs into their programs.

(C) (i) On and after July 1, 2026, any agency not meeting the requirement described in paragraph (1) may be put on a conditional contract as described in Section 8314 unless they have applied and been approved for a waiver pursuant to clause (ii).

(ii) The Superintendent shall create an ongoing waiver process for an agency not able to meet the requirement described in paragraph (1).

(3) Children with exceptional needs attending California state preschool programs shall be educated in the least restrictive environment in accordance with Section 1412(a)(5)(A) of Title 20 of the United States Code.

(4) (A) 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, until regulations are filed with the Secretary of State to implement this subdivision, the department shall implement this subdivision through management bulletins or similar letters of instruction on or before December 31, 2022.

(B) The department shall initiate a rulemaking action to implement this subdivision on or before December 31, 2023.

(d) (1) A three- or four-year-old child is eligible for a full-day California state preschool program if the family meets both of the following requirements:

(A) The child's family is one of the following:

(i) A current aid recipient.

(ii) Income eligible.

(iii) Homeless.

(iv) One whose children are recipients of child protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited.

(v) (I) One that has children with exceptional needs, as defined in Section 8205.

(II) Only the children in the family who are children with exceptional needs may be enrolled under the eligibility criteria of this clause. Any other child in the family without exceptional needs may be enrolled pursuant to any of the criteria established in clauses (i) to (iv), inclusive.

(vi) 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. Children eligible for services pursuant to this subparagraph shall be prioritized by the income declared on the application for the means-tested government program.

(B) The child's family needs the childcare services because of either the following:

(i) The child has been 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 one of the following:

(I) A recipient of protective services.

(II) Being neglected, abused, or exploited, or at risk of neglect, abuse, or exploitation.

(III) Being homeless.

(ii) The child's parents are one of the following:

(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.

(V) Incapacitated.

(2) (A) Commencing July 1, 2022, until June 30, 2023, inclusive, at least 5 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(B) Commencing July 1, 2023, to June 30, 2024, inclusive, at least 7.5 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(C) Commencing July 1, 2024, at least 10 percent of a full-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(D) (i) The department shall review data on compliance and provide technical assistance to California state preschool program contracting agencies to assist them in meeting the requirement described in subparagraphs (A) to (C), inclusive.

(ii) Agencies shall be fully funded for the percentage of enrollment specified in subparagraph (A), inclusive of the exceptional needs adjustment factor for that enrollment pursuant to Section 8244, to ensure funding is available to enroll children with exceptional needs within the set aside specified in subparagraphs (A) to (C), inclusive, at any point during the fiscal year. An agency not meeting the requirement to fill the percent of funded enrollment specified in subparagraphs (A) to (C), inclusive, with children with exceptional needs shall conduct community outreach to special education partners to recruit additional children with exceptional needs into their programs.

(iii) (I) On and after July 1, 2026, any agency not meeting the requirement described in subparagraph (A) may be put on a conditional contract as described in Section 8314 unless they have applied and been approved for a waiver pursuant to subclause (II).

(II) The Superintendent shall create an ongoing waiver process for agencies not able to meet the requirement described in subparagraphs (A) to (C), inclusive.

(E) Children with exceptional needs attending California state preschool programs shall be educated in the least restrictive environment in accordance with Section 1412(a)(5)(A) of Title 20 of the United States Code.

(F) (i) 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, until regulations are filed with the Secretary of State to implement this paragraph, the department shall implement this paragraph through management bulletins or similar letters of instruction on or before December 31, 2022.

(ii) The department shall initiate a rulemaking action to implement this paragraph on or before December 31, 2023.

(3) Notwithstanding paragraph (1), after all families meeting the criteria specified in paragraph (1) have been enrolled, a full-day California state preschool program may provide services to three- and four-year-old children in families who do not meet at least one of the criteria specified in subparagraph (B) of paragraph (1).

(4) After all otherwise eligible children have been enrolled as provided in paragraphs (1) and (2), a provider operating a full-day California state preschool program within the attendance boundary of a public school as set forth in Section 8217 may enroll any four-year-old child.

(e) (1) With the exception of the age requirements and paragraphs (3) and (4), upon establishing initial eligibility or ongoing eligibility for full-day California state preschool program services under this chapter, 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 8205.

(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 Section 8213, 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.

(f) (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 (d), a payment made by a preschool 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 Superintendent or the Superintendent's designated agent may seek to recover payments that are the result of fraud.

(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) and Section 33308.5, until regulations are filed with the Secretary of State to implement subdivision (e), the department shall implement subdivision (e) through management bulletins or similar letters of instruction on or before December 31, 2022.

(2) The department shall initiate a rulemaking action to implement subdivision (e) on or before December 31, 2023.

(h) The Superintendent shall establish guidelines according to which the director or a duly authorized representative of the California state preschool program will certify children as eligible for state reimbursement purposes.

SEC. 3.1. Section 8208 of the Education Code is amended to read:

8208. (a) (1) A three- or four-year-old child is eligible for the part-day California state preschool program if the child's family is one of the following:

(A) A current aid recipient.

(B) Income eligible.

(C) Homeless.

(D) One whose children are recipients of child protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited.

(E) (i) One that has children with exceptional needs, as defined in Section 8205.

(ii) Only the children in the family who are children with exceptional needs may be enrolled under the eligibility criteria of this subparagraph. Any other child in the family without exceptional needs may be enrolled pursuant to any of the criteria established in subparagraphs (A) to (D), inclusive.

(F) 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. Children eligible for services pursuant to this subparagraph shall be prioritized by the income declared on the application for the means-tested government program.

(2) Notwithstanding any other law, a part-day California state preschool program may provide services to children in families whose income is no more than 15 percent above the income eligibility threshold, as described in Section 8213, after all eligible three- and four-year-old children have been enrolled. No more than 10 percent of children enrolled, calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.

(3) Notwithstanding Section 8213, after all otherwise eligible children have been enrolled as provided in paragraphs (1) and (2), a part-day California state preschool program may provide services to three- and four-year-old children in families whose

income is above the income eligibility threshold if those children are children with exceptional needs. Children receiving services pursuant to this paragraph shall not count towards the 10-percent limit in paragraph (2).

(4) Notwithstanding any other law, after all otherwise eligible children have been enrolled as provided in paragraphs (1) to (3), inclusive, a provider operating a part-day state preschool program within the attendance boundary of a public school, as set forth in Section 8217, may enroll three- and four-year-old children.

(b) A part-day California state preschool program contracting agency shall certify eligibility and enroll families into their program within 120 calendar days prior to the first day of the beginning of the new preschool year. Subsequent to enrollment, a child shall be deemed eligible for a part-day California state preschool program for the remainder of the program year and for the following program year, as long as applicable age-eligibility requirements are met, as specified in Sections 8205 and 48000.

(c) (1) (A) Commencing July 1, 2022, until June 30, 2023, inclusive, at least 5 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(B) Commencing July 1, 2023, to June 30, 2024, inclusive, at least 7.5 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(C) Commencing July 1, 2024, at least 10 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205, and serve those children.

(2) (A) The department shall review data on compliance and provide technical assistance to California state preschool program contracting agencies to assist them in meeting the requirement described in paragraph (1).

(B) Agencies shall be fully funded for the percentage of enrollment specified in paragraph (1), inclusive of the exceptional needs adjustment factor for that enrollment pursuant to Section 8244, to ensure funding is available to enroll children with exceptional needs within the set aside specified in paragraph (1) at any point during the fiscal year. An agency not meeting the requirement to fill the percent of funded enrollment specified in paragraph (1) with children with exceptional needs shall conduct community outreach to special education partners to recruit additional children with exceptional needs into their programs.

(C) (i) On and after July 1, 2026, any agency not meeting the requirement described in paragraph (1) may be put on a conditional contract as described in Section 8314 unless they have applied and been approved for a waiver pursuant to clause (ii).

(ii) The Superintendent shall create an ongoing waiver process for an agency not able to meet the requirement described in paragraph (1).

(3) Children with exceptional needs attending California state preschool programs shall be educated in the least restrictive environment in accordance with Section 1412(a)(5)(A) of Title 20 of the United States Code.

(4) (A) 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, until regulations are filed with the Secretary of State to implement this subdivision, the department shall implement this subdivision through management bulletins or similar letters of instruction on or before December 31, 2022.

(B) The department shall initiate a rulemaking action to implement this subdivision on or before December 31, 2023.

(d) (1) A three- or four-year-old child is eligible for a full-day California state preschool program if the family meets both of the following requirements:

(A) The child's family is one of the following:

(i) A current aid recipient.

(ii) Income eligible.

(iii) Homeless.

(iv) One whose children are recipients of child protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited.

(v) (I) One that has children with exceptional needs, as defined in Section 8205.

(II) Only the children in the family who are children with exceptional needs may be enrolled under the eligibility criteria of this clause. Any other child in the family without exceptional needs may be enrolled pursuant to any of the criteria established in clauses (i) to (iv), inclusive.

(vi) 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. Children eligible for services pursuant to this subparagraph shall be prioritized by the income declared on the application for the means-tested government program.

(B) The child's family needs the childcare services because of either the following:

(i) The child has been 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 one of the following:

(I) A recipient of protective services.

(II) Being neglected, abused, or exploited, or at risk of neglect, abuse, or exploitation.

(III) Being homeless.

(ii) The child's parents are one of the following:

(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.

(V) Incapacitated.

(2) (A) (i) Commencing July 1, 2022, until June 30, 2023, inclusive, at least 5 percent of a full-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(ii) Commencing July 1, 2023, to June 30, 2024, inclusive, at least 7.5 percent of a full-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(iii) Commencing July 1, 2024, at least 10 percent of a full-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205, and serve those children.

(B) (i) The department shall review data on compliance and provide technical assistance to California state preschool program contracting agencies to assist them in meeting the requirement described in subparagraph (A).

(ii) Agencies shall be fully funded for the percentage of enrollment specified in subparagraph (A), inclusive of the exceptional needs adjustment factor for that enrollment pursuant to Section 8244, to ensure funding is available to enroll children with exceptional needs within the set aside specified in subparagraph (A) at any point during the fiscal year. An agency not meeting the requirement to fill the percent of funded enrollment specified in subparagraph (A) with children with exceptional needs shall conduct community outreach to special education partners to recruit additional children with exceptional needs into their programs.

(iii) (I) On and after July 1, 2026, any agency not meeting the requirement described in subparagraph (A) may be put on a conditional contract as described in Section 8314 unless they have applied and been approved for a waiver pursuant to subclause (II).

(II) The Superintendent shall create an ongoing waiver process for agencies not able to meet the requirement described in subparagraph (A).

(C) Children with exceptional needs attending California state preschool programs shall be educated in the least restrictive environment in accordance with Section 1412(a)(5)(A) of Title 20 of the United States Code.

(D) (i) 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, until regulations are filed with the Secretary of State to implement this paragraph, the department shall implement this paragraph through management bulletins or similar letters of instruction on or before December 31, 2022.

(ii) The department shall initiate a rulemaking action to implement this paragraph on or before December 31, 2023.

(3) Notwithstanding any other law, a full-day California state preschool program may provide services to children in families whose income is no more than 15 percent above the income eligibility threshold, as described in Section 8213, after all eligible three- and four-year-old children have been enrolled pursuant to paragraph (1). No more than 10 percent of children enrolled, as calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.

(4) Notwithstanding paragraph (1), after all families meeting the criteria specified in paragraphs (1) and (3) have been enrolled, a full-day California state preschool program may provide services to three- and four-year-old children in families who do not meet at least one of the criteria specified in subparagraph (B) of paragraph (1).

(5) After all otherwise eligible children have been enrolled as provided in paragraphs (1), (3), and (4), a provider operating a full-day California state preschool program within the attendance boundary of a public school as set forth in Section 8217 may enroll any three- or four-year-old child.

(e) (1) With the exception of the age requirements and paragraphs (3) and (4), upon establishing initial eligibility or ongoing eligibility for full-day California state preschool program services under this chapter, 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 8205.

(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 Section 8213, 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.

(f) (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 (d), a payment made by a preschool 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 Superintendent or the Superintendent's designated agent may seek to recover payments that are the result of fraud.

(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) and Section 33308.5, until regulations are filed with the Secretary of State to implement subdivision (e), the department shall implement subdivision (e) through management bulletins or similar letters of instruction on or before December 31, 2022.

(2) The department shall initiate a rulemaking action to implement subdivision (e) on or before December 31, 2023.

(h) The Superintendent shall establish guidelines according to which the director or a duly authorized representative of the California state preschool program will certify children as eligible for state reimbursement purposes.

SEC. 3.2. Section 8208 of the Education Code is amended to read:

8208. (a) (1) A three- or four-year-old child is eligible for the part-day California state preschool program if the child's family is one of the following:

(A) A current aid recipient.

(B) Income eligible.

(C) Homeless.

(D) One whose children are recipients of child protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited.

(E) (i) One that has children with exceptional needs, as defined in Section 8205.

(ii) Only the children in the family who are children with exceptional needs may be enrolled under the eligibility criteria of this subparagraph. Any other child in the family without exceptional needs may be enrolled pursuant to any of the criteria established in subparagraphs (A) to (D), inclusive.

(F) 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. Children eligible for services pursuant to this subparagraph shall be prioritized by the income declared on the application for the means-tested government program.

(2) Notwithstanding any other law, a part-day California state preschool program may provide services to children in families whose income is no more than 15 percent above the income eligibility threshold, as described in Section 8213, after all eligible three- and four-year-old children have been enrolled. No more than 10 percent of children enrolled, calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.

(3) Notwithstanding Section 8213, after all otherwise eligible children have been enrolled as provided in paragraphs (1) and (2), a part-day California state preschool program may provide services to three- and four-year-old children in families whose income is above the income eligibility threshold if those children are children with exceptional needs. Children receiving services pursuant to this paragraph shall not count towards the 10-percent limit in paragraph (2).

(4) Notwithstanding any other law, after all otherwise eligible children have been enrolled as provided in paragraphs (1) to (3), inclusive, a provider operating a part-day state preschool program within the attendance boundary of a public school, as set forth in Section 8217, may enroll three- and four-year-old children.

(b) A part-day California state preschool program contracting agency shall certify eligibility and enroll families into their program within 120 calendar days prior to the first day of the beginning of the new preschool year. Subsequent to enrollment, a child shall be deemed eligible for a part-day California state preschool program for the remainder of the program year and for the following program year, as long as applicable age-eligibility requirements are met, as specified in Sections 8205 and 48000.

(c) (1) (A) Commencing July 1, 2022, until June 30, 2023, inclusive, at least 5 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(B) Commencing July 1, 2023, to June 30, 2024, inclusive, at least 7.5 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(C) Commencing July 1, 2024, at least 10 percent of a part-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205, and serve those children.

(2) (A) The department shall review data on compliance and provide technical assistance to California state preschool program contracting agencies to assist them in meeting the requirement described in paragraph (1).

(B) Agencies shall be fully funded for the percentage of enrollment specified in paragraph (1), inclusive of the exceptional needs adjustment factor for that enrollment pursuant to Section 8244, to ensure funding is available to enroll children with exceptional needs within the set aside specified in paragraph (1) at any point during the fiscal year. An agency not meeting the requirement to fill the percent of funded enrollment specified in paragraph (1) with children with exceptional needs shall conduct community outreach to special education partners to recruit additional children with exceptional needs into their programs.

(C) (i) On and after July 1, 2026, any agency not meeting the requirement described in paragraph (1) may be put on a conditional contract as described in Section 8314 unless they have applied and been approved for a waiver pursuant to clause (ii).

(ii) The Superintendent shall create an ongoing waiver process for an agency not able to meet the requirement described in paragraph (1).

(3) Children with exceptional needs attending California state preschool programs shall be educated in the least restrictive environment in accordance with Section 1412(a)(5)(A) of Title 20 of the United States Code.

(4) (A) 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, until regulations are filed with the Secretary of State to implement this subdivision, the department shall implement this subdivision through management bulletins or similar letters of instruction on or before December 31, 2022.

(B) The department shall initiate a rulemaking action to implement this subdivision on or before December 31, 2023.

(d) (1) A three- or four-year-old child is eligible for a full-day California state preschool program if the family meets both of the following requirements:

(A) The child's family is one of the following:

(i) A current aid recipient.

(ii) Income eligible.

(iii) Homeless.

(iv) One whose children are recipients of child protective services, or whose children have been identified as being abused, neglected, or exploited, or at risk of being abused, neglected, or exploited.

(v) (I) One that has children with exceptional needs, as defined in Section 8205.

(II) Only the children in the family who are children with exceptional needs may be enrolled under the eligibility criteria of this clause. Any other child in the family without exceptional needs may be enrolled pursuant to any of the criteria established in clauses (i) to (iv), inclusive.

(vi) 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. Children eligible for services pursuant to this subparagraph shall be prioritized by the income declared on the application for the means-tested government program.

(B) The child's family needs the childcare services because of either the following:

(i) The child has been 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 one of the following:

(I) A recipient of protective services.

(II) Being neglected, abused, or exploited, or at risk of neglect, abuse, or exploitation.

(III) Being homeless.

(ii) The child's parents are one of the following:

(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.

(V) Incapacitated.

(2) (A) (i) Commencing July 1, 2022, until June 30, 2023, inclusive, at least 5 percent of a full-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(ii) Commencing July 1, 2023, to June 30, 2024, inclusive, at least 7.5 percent of a full-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205.

(iii) Commencing July 1, 2024, at least 10 percent of a full-day California state preschool program contracting agency's funded enrollment shall be reserved for children with exceptional needs, as defined in Section 8205, and serve those children.

(B) (i) The department shall review data on compliance and provide technical assistance to California state preschool program contracting agencies to assist them in meeting the requirement described in subparagraph (A).

(ii) Agencies shall be fully funded for the percentage of enrollment specified in subparagraph (A), inclusive of the exceptional needs adjustment factor for that enrollment pursuant to Section 8244, to ensure funding is available to enroll children with exceptional needs within the set aside specified in subparagraph (A) at any point during the fiscal year. An agency not meeting the requirement to fill the percent of funded enrollment specified in subparagraph (A) with children with exceptional needs shall conduct community outreach to special education partners to recruit additional children with exceptional needs into their programs.

(iii) (I) On and after July 1, 2026, any agency not meeting the requirement described in subparagraph (A) may be put on a conditional contract as described in Section 8314 unless they have applied and been approved for a waiver pursuant to subclause (II).

(II) The Superintendent shall create an ongoing waiver process for agencies not able to meet the requirement described in subparagraph (A).

(C) Children with exceptional needs attending California state preschool programs shall be educated in the least restrictive environment in accordance with Section 1412(a)(5)(A) of Title 20 of the United States Code.

(D) (i) 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, until regulations are filed with the Secretary of State to implement this paragraph, the department shall implement this paragraph through management bulletins or similar letters of instruction on or before December 31, 2022.

(ii) The department shall initiate a rulemaking action to implement this paragraph on or before December 31, 2023.

(3) Notwithstanding any other law, a full-day California state preschool program may provide services to children in families whose income is no more than 15 percent above the income eligibility threshold, as described in Section 8213, after all eligible three- and four-year-old children have been enrolled pursuant to paragraph (1). No more than 10 percent of children enrolled, as calculated throughout the participating program's entire contract, may be filled by children in families above the income eligibility threshold.

(4) Notwithstanding paragraph (1), after all families meeting the criteria specified in paragraphs (1) and (3) have been enrolled, a full-day California state preschool program may provide services to three- and four-year-old children in families who do not meet at least one of the criteria specified in subparagraph (B) of paragraph (1).

(5) After all otherwise eligible children have been enrolled as provided in paragraphs (1), (3), and (4), a provider operating a full-day California state preschool program within the attendance boundary of a public school as set forth in Section 8217 may enroll any three- or four-year-old child.

(e) (1) With the exception of the age requirements and paragraphs (3) and (4), upon establishing initial eligibility or ongoing eligibility for full-day California state preschool program services under this chapter, 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 8205.

(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 Section 8213, 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.

(f) (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 (d), a payment made by a preschool 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 Superintendent or the Superintendent's designated agent may seek to recover payments that are the result of fraud.

(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) and Section 33308.5, until regulations are filed with the Secretary of State to implement subdivision (e), the department shall implement subdivision (e) through management bulletins or similar letters of instruction on or before December 31, 2022.

(2) The department shall initiate a rulemaking action to implement subdivision (e) on or before December 31, 2023.

(h) The Superintendent shall establish guidelines according to which the director or a duly authorized representative of the California state preschool program will certify children as eligible for state reimbursement purposes.

SEC. 4. Section 8213.5 is added to the Education Code, to read:

8213.5. (a) For purposes of establishing eligibility for services under this chapter, "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 subparagraph (E) of paragraph (1) of subdivision (a) of, or under clause (v) of subparagraph (A) of paragraph (1) of subdivision (c) of, Section 8208 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.

SEC. 5. Section 8263 of the Education Code is amended to read:

8263. (a) The department shall disburse augmentations to the base allocation for the expansion of preschool programs to promote equal access to preschool services across the state.

(b) (1) In order to provide progress towards achieving access to full-day, full-year preschool services for all income-eligible four-year-old children and to promote access for all income-eligible four-year-old children to attend at least a part-day California state preschool program, the Superintendent of Public Instruction shall, in awarding new funding appropriated by the Legislature, in any fiscal year, for the expansion of California state preschool programs, use the formula developed pursuant to subdivision (c) and may use the priorities identified by local childcare and development planning councils, as provided for in Section 10486 of the Welfare and Institutions Code, and other high-quality data resources available to the department.

(2) Expansion funding awarded pursuant to paragraph (1) shall be apportioned at the rate described in Section 8242 and as determined in the annual Budget Act.

(3) A family childcare home education network shall be eligible to apply for expansion funding awarded pursuant to paragraph (1).

(c) The Superintendent of Public Instruction shall develop a formula for prioritizing the disbursement of augmentations pursuant to this section. The formula shall give priority to allocating funds to underserved areas. The Superintendent of Public Instruction shall develop the formula by using the definition of "underserved area" in Section 8205 and direct impact indicators of need for

preschool services in the county or subcounty areas. For purposes of this section, "subcounty areas" include, but are not limited to, school districts, census tracts, or ZIP Code areas that are deemed by the Superintendent of Public Instruction to be most appropriate to the type of program receiving an augmentation. Direct impact indicators of need may include, but are not limited to, the teenage pregnancy rate, the unemployment rate, area household income, or the number or percentage of families receiving public assistance, eligible for Medi-Cal, or eligible for free or reduced-price school meals, and any unique characteristics of the population served by the type of program receiving an augmentation.

(d) To promote equal access to services and allocate resources equitably, the Superintendent of Public Instruction shall develop a process for identifying underserved areas and populations within counties. This guidance shall include reference to the direct impact indicators of need described in subdivision (c).

(e) This section does not preclude a local educational agency from subcontracting with an appropriate public or private agency to operate a California state preschool program, subject to Section 18140 of Title 5 of the California Code of Regulations, and to apply for funds made available pursuant to this section. If a school district chooses not to operate or subcontract for a California state preschool program, the Superintendent shall work with the county office of education and other eligible agencies to explore possible opportunities in contracting or alternative subcontracting to provide a California state preschool program.

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

SEC. 6. Section 10271 of the Welfare and Institutions Code is amended to read:

10271. (a) (1) The department shall adopt rules and regulations on eligibility, enrollment, and priority of services needed to implement this chapter. 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 chapter or regulations adopted to implement this chapter, 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 same priority family 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 chapter 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), (4), and (5), upon establishing initial eligibility or ongoing eligibility for services under this chapter, 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) Notwithstanding paragraph (1), upon establishing initial eligibility or ongoing eligibility for services under this chapter, a family receiving services under a CalWORKs Stage 1, Stage 2, or Stage 3 program shall be considered to meet all eligibility and need requirements for those services for not less than 12 months, shall receive those services for not less than 12 months before having their eligibility or need recertified, and shall not be required to report changes to income or other changes for at least 12 months.

(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.

SEC. 6.5. Section 10271 of the Welfare and Institutions Code is amended to read:

10271. (a) (1) The department shall adopt rules and regulations on eligibility, enrollment, and priority of services needed to implement this chapter. 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 chapter or regulations adopted to implement this chapter, 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 chapter 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), (4), and (5), upon establishing initial eligibility or ongoing eligibility for services under this chapter, 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) Notwithstanding paragraph (1), upon establishing initial eligibility or ongoing eligibility for services under this chapter, a family receiving services under a CalWORKs Stage 1, Stage 2, or Stage 3 program shall be considered to meet all eligibility

and need requirements for those services for not less than 12 months, shall receive those services for not less than 12 months before having their eligibility or need recertified, and shall not be required to report changes to income or other changes for at least 12 months.

(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.

SEC. 7. Section 10271.7 is added to the Welfare and Institutions Code, to read:

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.

SEC. 8. Section 3.1 of this bill incorporates amendments to Section 8208 of the Education Code proposed by this bill and Assembly Bill 185. That section shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2023, (2) each bill amends Section 8208 of the Education Code, and (3) this bill is enacted after Assembly Bill 185, in which case Section 8208 of the Education Code, as amended by Assembly Bill 185, shall remain operative only until the operative date of this bill, at which time Section 3.1 of this bill shall become operative, and Sections 3 and 3.2 of this bill shall not become operative.

SEC. 9. Section 3.2 of this bill incorporates amendments to Section 8208 of the Education Code proposed by this bill and Senate Bill 185. That section shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2023, (2) each bill amends Section 8208 of the Education Code, and (3) this bill is enacted after Senate Bill 185, in which case

Section 8208 of the Education Code, as amended by Senate Bill 185, shall remain operative only until the operative date of this bill, at which time Section 3.2 of this bill shall become operative, and Sections 3 and 3.1 of this bill shall not become operative.

SEC. 10. Section 6.5 of this bill incorporates amendments to Section 10271 of the Welfare and Institutions Code proposed by both this bill and Assembly Bill 321. That section shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2023, (2) each bill amends Section 10271 of the Welfare and Institutions Code, and (3) this bill is enacted after Assembly Bill 321, in which case Section 6 of this bill shall not become operative.