

Date of Hearing: April 26, 2023

ASSEMBLY COMMITTEE ON EDUCATION  
Al Muratsuchi, Chair  
AB 51 (Bonta) – As Amended April 12, 2023

**[Note: This bill is double referred to the Assembly Human Services Committee and was heard by that Committee as it relates to issues under its jurisdiction.]**

**SUBJECT:** Early childcare and education

**SUMMARY:** Makes numerous changes to support a mixed delivery pre-kindergarten (pre-k) system, including amending the income eligibility threshold; requiring the California Department of Education (CDE) to reserve a portion of California State Preschool Program (CSPP) contracts for providers negatively impacted by the implementation of transitional kindergarten (TK); requires the development of regulations on comingling of children with and without subsidies in CSPP classrooms; requires Expanded Learning Opportunities Programs (ELOP) serving TK pupils be developmentally appropriate for students in TK; expands the roles and responsibilities of Resource and Referral (R&R) agencies; and requires the development of a new reimbursement rate schedule for CSPP. Specifically, **this bill:**

- 1) Requires that income eligibility for initial eligibility, as well as ongoing income eligibility for the CSPP be established as 120% of the area median income or the state median income (SMI), whichever is higher. Requires the Department of Finance (DOF) to annually calculate the area median incomes for family sizes by using the most recent census data available, and the state median income by March 1<sup>st</sup> of each fiscal year.
- 2) Requires the CDE to provide prospective CSPP providers an equitable opportunity to establish a trained workforce and administrative systems, and technical assistance on how to meet the requirements of Title 5 regulations; and requires that the CDE reserve at least 50% of CSPP contracts for applicants that meet at least one of the following criteria:
  - a) Has not received a CSPP contract within the last five years; and/or
  - b) Can demonstrate a negative financial impact due to the implementation of TK expansion.
- 3) Requires the Superintendent of Public Instruction (SPI) to establish rules and regulations for the comingling of children participating in CSPPs with children supported through other state-subsidized programs and private funding, and authorizes CSPPs to be comingled pending the implementation of these rules and regulations.
- 4) Requires that ELOP serving TK pupils be developmentally appropriate for students in TK.
- 5) Requires the Director of the Department of Social Services (DSS), in partnership with the SPI, to expand existing childcare resource and referral (R&R) services to include navigation, referral, and enrollment services for TK, CSPP, Head Start, general childcare, private childcare centers, and family childcare options for preschool programs. Requires that these R&R services include all of the following:
  - a) Types of services, including setting, hours, and eligibility requirements;

- b) Navigation support for families to enroll in programs;
  - c) Expansion of the “mychildcare” website to include the programs described above.
- 6) Requires the DSS to develop a new rate schedule for calculating reimbursement rates for childcare services reflective of the potential loss of 4-year old children being served in a TK program.
- 7) Other technical and clarifying changes.

**EXISTING LAW:**

**CSPP:**

- 1) Establishes the Early Education Act, to provide an inclusive and cost-effective preschool program that provides high-quality learning experiences, coordinated services, and referrals for families to access health and social-emotional support services through full- and part-day programs and that all families have equitable access to a high-quality preschool program, regardless of race or ethnic status, cultural, religious, or linguistic background, family composition, or children with exceptional needs. (Education Code (EC) 8200 *et seq.*)
- 2) Defines “CSPP” to mean those programs that offer part-day and/or full-day educational programs for eligible three- and four-year-old children. These programs may be offered by a public, private, or proprietary agency, and operated in childcare centers or family childcare homes operating through a family childcare home education network (FCHEN). (EC 8205)
- 3) Requires that families seeking part-day CSPP, must meet at least one requirement in the following areas to be eligible for state preschool:
  - a) A family is a current aid recipient; income eligible; homeless; or 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
  - b) A child with exceptional needs, defined as:
    - i) Children under three years of age who have been determined to be eligible for early intervention services pursuant to the California Early Intervention Services Act; or
    - ii) Children who have been determined to be eligible for special education and related services by an individualized education program (IEP) team.
  - c) 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. (EC 8205, EC 8208)

- 4) Authorizes a CSPP to provide services to children in families whose income is no more than 15% above the income eligibility threshold, after all eligible three and four-year old children have been enrolled, and limits this provision to no more than 10% of children enrolled.
- 5) Requires that families seeking full-day CSPP meet both of the following requirements:
  - a) The family is a current aid recipient; income eligible; homeless; or 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 has a child with exceptional needs; or has a member of the household who is eligible for specified means-tested government programs; and
  - b) The family needs the childcare services because of either of the following:
    - i) The child is homeless; is a recipient of child protective services; is being neglected, abused, or exploited, or at risk of being neglected, abused or exploited; or
    - ii) The child's parents are engaged in vocational training; engaged in an educational program for English learners or to attain a high school diploma; employed or seeking employment; seeking permanent housing; or incapacitated.
- 6) Defines "income eligible" for purposes of establishing initial income eligibility for the CSPP as meaning that a family's adjusted monthly income is at or below 100% of the State Median Income (SMI), adjusted for family size. (EC 8213)
- 7) Requires a CSPP contractor to reserve a portion of its full-day enrollment for three and four-year old children with exceptional needs as follows:
  - a) From July 1, 2022 to June 30, 2023: at least 5%;
  - b) From July 1, 2023 to June 30, 2024: at least 7.5%; and
  - c) Beginning July 1, 2024: at least 10%.

***Expanded Learning:***

- 8) Defines "expanded learning" as before school, afterschool, summer, or intersession learning programs that focus on developing the academic, social, emotional, and physical needs and interests of students through hands-on, engaging learning experiences. (EC 8482.1)
- 9) Establishes the Expanded Learning Opportunities Program (ELOP) and allocates funding to school districts and charter schools based upon their unduplicated pupil count. Requires, commencing with the 2021-22 and 2022-23 school years, as a condition of receipt of these funds, school districts and charter schools to offer to at least all unduplicated pupils in kindergarten to grade 6 and to provide to at least 50% of unduplicated pupils enrolled in kindergarten to grade 6, classroom-based instructional programs with expanded learning opportunity programs that provide access to no less than 9 hours of combined in-person instructional time and expanded learning opportunities per instructional day on schooldays,

and no less than 9 hours of expanded learning opportunities per day for at least 30 non-school days during intersessional periods. (EC 46120)

***Resource and Referral (R&R):***

- 10) Requires the Legislature to appropriate funds annually for allocation to childcare and development R&R agencies operated by public or private nonprofit entities. Specifies that R&R programs serve a defined geographic area and must provide the following services:
  - a) Identification of the full range of existing childcare services and the development, maintenance, and quarterly updating of a resource file, including information by type of program, hours of service, ages of children served, fees and eligibility for services, and significant program information;
  - b) A referral process which responds to parental need for information, makes referrals to childcare facilities, and conducts outreach to parents through a toll-free line, conveniently located office space, referrals in languages spoken in the community, and publicizing of services through all available media sources or other methods;
  - c) Maintenance of ongoing documentation of requests for service through the internal referral process including the number of calls and contacts to the childcare information and referral program or component, ages of children served, time category of childcare request for each child, and reason that childcare is needed;
  - d) Provision of technical assistance to existing and potential providers of all types of childcare services; and
  - e) Provision of a childcare navigator to support children in foster care. (EC 8210 - 8212)
- 11) Requires R&R programs to maintain ongoing documentation of requests for service through the internal referral process, including:
  - a) Number of calls and contacts to the referral program;
  - b) Ages of children served;
  - c) Time category of childcare request for each child;
  - d) Special time category, such as nights, weekends, and swing shifts; and
  - e) Reason that childcare is needed. (EC 8212)

***Transitional Kindergarten (TK)***

- 12) Defines “transitional kindergarten” as the first year of a two-year kindergarten program that uses a modified kindergarten curriculum that is age and developmentally appropriate. (EC 48000)
- 13) Requires a school district or charter school that maintains a TK program, as a condition of receiving apportionments for TK, to admit children who have their birthdays by a specified

date to TK, and at full implementation in the 2025-26 school year, and in each school year thereafter, a child who will have their fourth birthday by September 1. (EC 48000)

***Reimbursement Rates:***

- 14) Establishes the Standard Reimbursement Rate (SRR) beginning July 1, 2021, at \$12,888, or \$12,968 for full-day CSPP and \$5,621 for part-day CSPP, and requires, beginning with the 2022-23 fiscal years, that the SRR be increased by a cost of living adjustment (COLA), as specified. Requires that beginning January 1, 2022, contractors receiving the SRR be reimbursed for the greater of the 75<sup>th</sup> percentile of the 2018 Regional Market Rate (RMR) survey or the contracted per child reimbursement rate as of December 31, 2021, as increased by the COLA. (EC 8242)
- 15) Establishes, beginning January 1, 2022, the RMR ceilings at the greater of the 75th percentile of the 2018 RMR survey for that region or the RMR ceiling that existed in that region on December 31, 2021. (WIC 10374.5)
- 16) Requires the Governor and the Child Care Providers Union (CCPU), consistent with the agreement dated June 25, 2021, to establish a Joint Labor Management Committee (JLMC) to develop recommendations for a single reimbursement rate structure that addresses quality standards for equity and accessibility while supporting positive learning and developmental outcomes for children. Further, requires the JLMC to develop recommendations and present the recommendations to the DOF no later than November 15, 2022 in order to inform the Governor's proposed budget for the 2023-24 fiscal year. (WIC 10280.2)
- 17) Requires the DSS, in consultation with the CDE, to convene a working group separate from the JLMC, to assess the methodology for establishing reimbursement rates and the existing quality standards for childcare and development and preschool programs, as specified. Further, requires the workgroup to, no later than August 15, 2022, provide recommendations, including, but not limited to, recommendations on how the DSS should define childcare workforce competencies and how these competencies would align with rate reform, to the JLMC, DOF, and the Joint Legislative Budget Committee. (WIC 10280.2)

**FISCAL EFFECT:** The Office of Legislative Counsel has keyed this as a possible state-mandated local program.

**COMMENTS:**

***Need for the bill.*** According to the author, "California has begun to phase in the implementation of universal TK. While the availability of TK for all families is a great victory, it does not replace the necessity of full-day and full-year services for children from birth to age four, services necessary to ensure that women can return to the workforce and contribute to California's economic strength. We must look to our childcare programs as the key to supporting women, families, and the workforce. Community-based providers have expressed valid concerns that the loss of four-year-olds may undermine the already fragile system.

AB 51 would support the effective and equitable functioning of California's mixed-delivery childcare system and create a just transition for community-based providers as TK is implemented.

A mixed-delivery childcare system is key to ensuring full care from birth through school age. Without such a system, California will be unable to ensure that the diverse childcare needs of families in every community and every aspect of the workforce are met.”

**California has a complex system of early childhood programs.** California’s subsidized early care and education (ECE) is made up of a complex array of programs serving children from birth through 13 years, funded through a mix of federal and state dollars, and administered through a mixed delivery system by local educational agencies (LEAs) and community-based providers. The major ECE programs include, but are not limited to, the following:

Program	Overseen by	Ages of children served	# of slots in 2022-23
Full-day state preschool (CSPP)	CDE	3-4 years	69,000
Part-day preschool (CSPP)	CDE	3-4 years	142,000
Transitional kindergarten (TK)	CDE	4-5 years	120,000
Alternative Payment (AP)	DSS	0-13 years	161,300
General Childcare (CCTR)	DSS	0-13 years	78,500
CalWORKs Stages 1-3	DSS	0-13 years	127,800

Source: Legislative Analyst Office (LAO), 2023

According to the LAO, since 2021-22, the state has added 146,600 childcare slots, which has more than doubled the number of slots statewide. California had approximately 560,000 licensed center spaces for all children from birth to 6 years, and 268,000 licensed family childcare home spaces for all children from birth to 12 in 2021. California still lacks the licensed capacity to meet the need for childcare and preschool services.

**Research confirms the value of high-quality pre-kindergarten experiences.** According to the study, *Current State of Scientific Knowledge on Pre-Kindergarten Effects* (Phillips et al, 2017):

Educators in K-12 school systems are faced with wide disparities in skill levels of entering kindergarteners, which means that all too many children are already far behind many of their peers. Findings in developmental science point toward the importance of early-life experiences in shaping brain development and suggest that if we knew how to provide these experiences in our early education programs, we could have a lifelong impact on children’s success. Findings include:

- Convincing evidence shows that children attending a diverse array of state and school district pre-k programs are more ready for school at the end of their pre-k year than children who do not attend pre-k. Improvements in academic areas such as literacy and numeracy are most common; the smaller number of studies of social-emotional and self-regulatory development generally show more modest improvements in those areas;

- Studies of different groups of preschoolers often find greater improvement in learning at the end of the pre-k year for economically disadvantaged children and dual language learners than for more advantaged and English-proficient children;
- Pre-k programs are not all equally effective. Several effectiveness factors may be at work in the most successful programs. One such factor supporting early learning is a well implemented, evidence-based curriculum. Coaching for teachers, as well as efforts to promote orderly but active classrooms, may also be helpful; and
- Children’s early learning trajectories depend on the quality of their learning experiences not only before and during their pre-k year, but also following the pre-k year. Classroom experiences early in elementary school can serve as charging stations for sustaining and amplifying pre-k learning gains.

A research brief, *Untangling the Evidence on Preschool Effectiveness: Insights for Policymakers*, finds “The weight of a sizable body of evidence indicates that preschool programs make a substantial difference in preparing children for school. The evidence about continued effects beyond school entry is also positive, but less consistent. In order to generate meaningful impacts, early learning experiences need to be rich and engaging. Implementing a high-quality preschool program well—offering compensation and support that attract and retain a highly qualified workforce; a program day that provides adequate, productive learning time and activities; and child assessments used to individualize learning—is complex and often expensive. Finally, although preschool quality is important, even the highest quality preschool cannot inoculate children from the detrimental effects of poverty or poor elementary and secondary schools. Sustained benefits likely require investments in children and their families that are also sustained from preschool through grade school and beyond.” (Learning Policy Institute (LPI), 2019)

***California offers pre-k options through a mixed delivery system.*** A mixed delivery system includes programs offered by LEAs, as well as non-LEA providers such as Head Start, community-based childcare centers, private providers, and other settings. California’s Universal Pre-K (UPK) initiative was launched in the 2022 state budget. According to the CDE, by 2025-26, California is expected to meet major UPK objectives by:

- Providing all families, regardless of income, a free year of voluntary UPK for all four-year old children through TK; and
- Serving a growing number of three-year old children through the CSPP and the mixed delivery system.

In addition to the reliance on TK and CSPP, California’s UPK also includes other pre-k programs serving three and four-year old children, including the federal Head Start program, subsidized programs that provide a pre-k learning experience and are operated by community-based organizations, including family childcare, and private pay pre-k programs. Many of these offer options to meet family needs for full-day and/or full-year services beyond what is available through an LEA-based TK or CSPP program. UPK also includes the ELOP, which provides

many TK-6<sup>th</sup> grade students in public schools with a full nine-hour day to address the needs of working families.

Depending upon a child's birthdate and the income level of the family, a four-year old may be eligible to enroll in a CSPP, TK, a Head Start program, or another ECE program.

- 1) The CSPP provides both part-day (at least 3 hours per day) and full-day (at least 6.5 hours per day) services to eligible three- and four-year-olds, including: developmentally appropriate curriculum, parent education, meals and snacks, and referral to social and health services for families. CSPP can be offered in various settings, including childcare centers, FCCHEs, school districts, or county offices of education (COEs). Approximately two-thirds of children in CSPP are served by LEAs, and the remaining one-third are served by community-based organizations.
- 2) TK is the first year of a two-year kindergarten program that uses a modified kindergarten curriculum that is age and developmentally appropriate. TK currently serves older four-year-olds and young five-year-olds who have their fifth birthday after the cut-off date for kindergarten (between September 2 and February 2 for the 2022-23 school year). The children eligible for TK will expand over time, with full implementation by 2025-26 for all four-year olds.
- 3) Head Start is a federal program providing comprehensive developmental services for low-income children from birth to entry into elementary school. Federal grants are provided directly to local grantees. Head Start requires that 10% of enrolled children be children with disabilities. California's Head Start program is the largest in the nation.
- 4) Other subsidized programs offer early education and care to specific populations of three- and four-year olds, including programs serving children with exceptional needs or migrant children. Some four-year-old children are currently served in general childcare programs, offered through childcare centers or family childcare home networks administered by the CDE. LEAs may use a portion of their federal Title I funding or their general LCFE allocations to offer early childhood programs, including preschool. In addition, there are numerous options within the private pay market for those families not eligible for subsidized childcare.

***California serves only a portion of children eligible for pre-K.*** California is home to approximately one million three and four-year old children. The number of children served in CSPP in any given year is determined by the state as part of its annual budget process. Three- and four-year old children are eligible for CSPP, on the basis of income, if their family earns 100% or less of the state median income (\$96,590 for a family of three). If the number of interested eligible children exceeds the number of available spaces within a program, providers enroll families based on prioritization.

In 2021-22, there were 620,000 three and four-year old children who were income eligible for subsidized pre-kindergarten programs, but only a fraction are currently served by federal or state funded programs, as shown below:

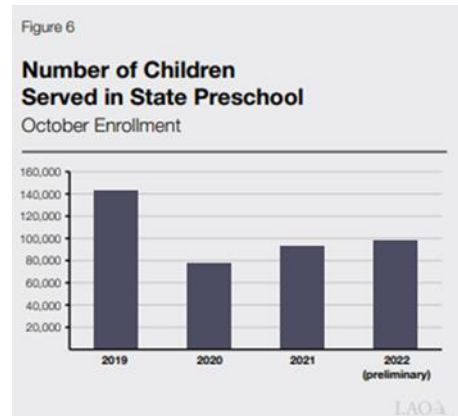


Age	Total population	Eligible for CSPP	Served in CSPP - % of eligible	Estimated # served in TK	Estimated # Served in Head Start	Est. % of eligible children unserved
3-year olds	498,416	303,603	8.5%	n/a	19,017	85%
4-year olds	507,294	316,917	21.5%	75,465	18,820	49%

Source: CDE, February 2023

Clearly, there are a significant number of eligible children, particularly three-year olds, not currently served in our subsidized pre-k programs. This bill would remove some barriers to enrolling more three-year old children in CSPP programs.

**Increasing thresholds for income eligibility.** This bill proposes to increase the threshold for initial and ongoing eligibility for CSPP from 100% of SMI to 120% of area median income or SMI, whichever is higher. However, the bill does not address the existing statutory requirement that authorizes a CSPP to provide services to children in families whose income is no more than 15% above the income eligibility threshold, after all eligible three and four-year old children have been enrolled, but limits this provision to no more than 10% of total children enrolled.



**Enrollment in CSPP has dropped as a result of COVID.**

The LAO reports that in 2022-23, CSPP was funded to serve 211,000 children, including 69,000 in full-day CSPP and 142,000 in part-day CSPP. Enrollment in CSPP declined significantly in 2020 due to the pandemic. While enrollment has increased since 2020, it remains significantly below pre-pandemic levels, as shown in the figure at the left. Total enrollment in CSPP dropped by 45% from 142,723 children in 2019 to 77,626 children in 2020. Overall enrollment increased by 19% from 2020 to 2021, but remains below pre-pandemic levels.

**Impacts of transitional kindergarten (TK) expansion.** California has established a plan to expand TK eligibility to all four-year olds by 2025-26. At full-implementation in 2025-26, a child who has their fourth birthday by September 1<sup>st</sup> will be eligible for TK, making the grade available to all four-year olds.

TK was also impacted by the pandemic, as enrollment dropped 23% from 88,883 in 2019 to 68,701 in 2020. While TK enrollment recovered slightly in 2021 to 75,465, it continues to serve less four-year old children than pre-pandemic. The 2021 enrollment represents 16% of all four-year olds. Research suggests that there may be disparities in the racial/ethnic enrollment rates for TK. According to research by the University of California Berkeley Children’s Forum, “Growth in enrollments vary by the racial and ethnic backgrounds of children served by TK programs. Since 2013-14, Latino children have made up the largest share of TK students throughout the

state, followed by white children, Asian-heritage children, and Black children. In 2019-20, before the pandemic, enrollment counts of children from each racial and ethnic group appeared to decline slightly. Most notably, enrollment numbers for Black children – historically quite low – have slipped lower since 2015-16.” This suggests that the ongoing implementation toward universal TK will need to be mindful of these disparities and undertake efforts to reach out to underrepresented students.

Consideration must also be given to the issue of family choice as some families may determine that a TK program offered for a limited number of hours or for a limited number of days per year does not meet their family needs for care. Similarly, there may be families who believe that an LEA setting is not the best choice for their four-year old children. This further emphasizes the importance of a mixed delivery pre-k system to address the varying needs and preferences of families.

**Meeting family needs for full-day services.** The Budget Act of 2022 appropriated ongoing funding and requires LEAs serving students in grades TK-6 to offer an ELOP to provide a total nine hour day, inclusive of the regular school program plus before and/or afterschool enrichment programming, as well as 30 days on non-school days. CDE’s guidance on offering universal pre-k services notes that LEAs are able to partner with providers of Head Start, CSPP, After School Education and Safety (ASES), or other community-based childcare programs to support the additional learning and care hours to reach nine hours.

This bill requires that ELOP programs serving TK students be developmentally appropriate for students in TK. ***The Committee may wish to consider the need to*** further define what is meant by “developmentally appropriate” in this context. For example, statute requires TK classrooms to be staffed based upon an adult: child ratio of 1:12 currently, moving to 1:10 over time. Is the expectation that an ELOP would need to provide this level of staffing?

**Supporting a mixed delivery system.** As the universal TK initiative rolls out, it has impacted the pool of eligible four-year olds for CSPP, which has reportedly had a negative financial impact on many childcare providers, particularly those in community-based settings. This bill aims to address these negative impacts by supporting an effective mixed delivery model.

An LPI research brief on mixed delivery preschool systems offers the following recommendations to support a strong mixed delivery system with consistent quality across settings:

- Establish common program standards across settings so that all children receive high-quality preschool experiences;
- Address barriers that might prevent qualified non-LEAs from participating in the state preschool program;
- Ensure that both LEA and non-LEA providers receive ongoing support to offer and sustain high-quality learning environments, including coaching and professional development;
- Ensure that program funding levels allow providers in all settings to meet high quality standards and retain qualified staff with compensation commensurate to their education and experience;

- Support coordinated enrollment across the mixed delivery system to ensure family choice and provider stability; and
- Collect data and conduct research to understand families' access to high-quality preschool in different settings. (Garver, 2023)

***Offering pre-k programs in a mixed income setting.*** This bill requires the CDE to develop rules and regulations that would authorize CSPP providers to commingle children eligible for CSPP with children supported through other state-subsidized programs or private funding. These are typically referred to as mixed income classrooms. Research suggests that all children can benefit from universal or mixed income programs, but they tend to benefit children from lower-income households the most. Some of the key research findings include the following:

- A study with 3,396 4-year-old children in 486 primarily publicly-funded preschool classrooms found that concentrated poverty in preschool classrooms was associated with lower language and reading skills in kindergarten in part through children's exposure to less cognitively-skilled peers. (Coley, 2019);
- In a study that compared test scores of thousands of 4-year-olds in more than 30 states, children from low-income families in states where preschool programs also welcomed children from other economic backgrounds showed far better reading test score gains when they enrolled in public preschool than children in states with programs targeted only to disadvantaged children. (Cascio, 2021);
- In a sample of over 700 pre-k classrooms, researchers found that increasing aggregate classroom income between \$22,500 and \$62,500 was related to improvements in children's math scores. Results suggest that economically integrated pre-K programs may be more beneficial to preschoolers from low-income households' achievement than classrooms targeting economically disadvantaged children. (Miller, 2017);
- In a study conducted in the Boston Public Schools prekindergarten programs, there was a positive effect of mixed income classrooms-- where lower-income kids had greater gains in vocabulary and executive function skills when they had a higher percentage of peers with higher incomes in their classroom. (Weiland, 2014); and
- In a study with 3,000 children in public preschool programs across 11 states researchers found small associations between mean classroom socioeconomic status and children's gains in math and language skills during the preschool year. Authors concluded that concentrated poverty in preschools may inhibit children's skill development. (Reid, 2013).

TK classrooms offer mixed income opportunities as there is no income eligibility requirement. Many CSPP programs currently use blended or braided funding to serve diverse groups of children, but their ability to do so is limited given current limitations on serving families with incomes above the eligibility threshold of 100% of SMI.

***Enhancing the role of Resource and Referral (R&R) agencies.*** Childcare R&Rs are state-funded, community-based programs that exist in every county in California. They provide services to parents and to childcare providers at no cost. They are often a parent's first point of contact in locating childcare services. Among other duties, local R&Rs currently provide all of the following services:

- Partner with families to help them find and choose childcare that best meets their needs;
- Document parents' requests for childcare services;
- Maintain comprehensive databases of childcare providers in their communities, including licensed family childcare homes and childcare centers;
- Track providers' licensing status, the languages they speak, the age groups they serve, the schedules they offer, and the number of spaces available in centers or family childcare homes;
- Work with childcare providers to improve the quality of care and to maintain and expand the supply in their county; and
- Provide training and other services that help childcare providers stay in business.

This bill proposes to expand the services provided by R&Rs to include navigation, referral, and enrollment services for CSPP, TK, Head Start, general childcare programs, private childcare centers, and family childcare options for preschool programs; as well as to expand the existing childcare website managed by the R&R Network. Given the expanding options for children and families for pre-k services, there is clearly a need for enhanced consumer education.

Expanding the role of R&Rs in providing navigation and referral services would contribute to added value for families. However, in most cases, the R&R is not responsible for the actual enrollment of families in a given program. *The Committee may wish to consider* whether it is necessary to clarify the role of R&Rs in supporting parents through the process of locating childcare up to the actual enrollment process, which is then handled by the agency accepting the child(ren).

In order for R&Rs to effectively provide effective navigation and referral services to assist parents in identifying the most appropriate pre-k placement, the R&Rs would need schools to provide current information on the availability of TK at each schoolsite, including the number of hours offered, and the availability of expanded learning programs offering before and/or afterschool care. The author may wish to consider requiring schools to provide this information to R&Rs on an ongoing basis to ensure that R&Rs are able to provide accurate information to families.

***Recommended Committee Amendments. Staff recommend that the bill be amended*** as follows:

- 1) Delete the provision that 50% of CSPP slots be dedicated to applicants who have not received a CSPP contract within the last five years, and/or who can demonstrate a negative financial impact due to implementation of the TK expansion; and instead require the CDE to provide technical assistance to such applicants, including developing and implementing a one-time, three-year outreach, capacity building, training and technical assistance plan and website targeting new and existing contractors, including those impacted by the expansion of TK.
- 2) Clarify that rules and regulations on commingling children in classrooms include federally-subsidized programs, as well as state-subsidized programs and private funding.

- 3) Correct the reference to the R&R website.
- 4) Remove the requirement that the DSS develop a new rate schedule for calculating reimbursement rates reflective of the potential loss of four-year old children being served under a TK program, and instead require the DSS and the CDE, as reimbursement rates are updated and modified to align to an alternative methodology, consideration be given to supporting non-LEA providers impacted by the expansion of TK.
- 5) Other technical and clarifying changes.

**Arguments in support.** The California Legislative Women’s Caucus writes, “California has begun to phase in the implementation of universal TK. While the availability of TK for all families is a great victory, it does not replace the necessity of full-day and full-year services for children from birth to age 4, services necessary to ensure that women can return to the workforce and contribute to California’s economic strength. We must look to our childcare programs as the key to supporting women, families, and the workforce.

AB 51 would support the effective and equitable funding of community childcare providers and create a just transition for community-based providers as universal TK is implemented.

A mixed-delivery childcare system is key to ensuring full care from birth through school age. Without such a system, California will be unable to ensure that the diverse childcare needs of families in every community and every aspect of the workforce are met.”

**Related legislation.** AB 555 (Juan Carrillo) of the 2023-24 Session would increase the priority for eligible three-year olds to be served in the CSPP and alters reimbursement rates, including adjustment factors.

AB 1352 (Bonta) of the 2023-24 Session would create a statewide childcare pilot subcommittee of the Universal PreKindergarten Mixed Delivery Quality and Access Workgroup to propose, evaluate, and collect evidence to support the creation of statewide pilot policies for childcare programs, permit a local planning council to apply to CDE and CDSS to adopt an approved statewide pilot policy, and delay the expiration of existing pilot projects from July 1, 2023, until July 1, 2025.

AB 596 (Reyes) of the 2023-24 Session would require the DSS, in consultation with the CDE, to develop and implement an alternative methodology for calculating subsidy payment rates for childcare and CSPP services, require an equitable sliding scale for the payment of family fees be developed, and prohibit family fees from being collected until the sliding scale is implemented.

SB 380 (Limon) of the 2023-24 Session is substantially similar to AB 596 (Reyes) of the 2023-24 Session.

AB 210 (Committee on Budget), Chapter 62, Statutes of 2022, extends the Budget Act of 2022 actions taken during the COVID-19 pandemic to waive family fees for childcare and create hold harmless policies for the 2022-23 fiscal year, including preschool.

SB 1047 (Limon) Chapter 923, Statutes of 2022, expands, from 12 months to 24 months, the period of a family’s eligibility after establishing initial eligibility for CSPP and subsidized

childcare and development programs, and expands priority for eligibility, enrollment, and services to include families who receive specified human services benefits.

SB 976 (Leyva) of the 2021-22 Session would have established the Universal Preschool Act to expand access to and operation hours of CSPP to all three- and four-year-old children regardless of family income; expand the types of childcare providers eligible to offer a universal preschool program to Head Start centers and licensed family daycare facilities; waive family preschool fees; and, requires the SPI, in consultation with the Director of the DSS, to convene a statewide coordination council, and adopt rules and regulations for the administration of all universal preschool programs, among other things. This bill was held in the Assembly Education Committee.

SB 50 (Limón) of the 2021-22 Session would have expanded the range of types of childcare and early learning services that a state preschool contracting agency may provide including expanding the age of children that state preschool contracting agencies from three- and four-year olds, to children less than three years old but at least 18 months old and would have extended eligibility for federal and state subsidized child care services to a family in which a member of that family has been certified as eligible to receive benefits from other means-tested government programs. SB 50 was vetoed by Governor Newsom with the following message:

Expanding access to high quality early learning and care for babies and toddlers is a priority for my Administration. That's why I worked to make universal TK a reality, strengthen our paid family leave policies, and expand childcare slots for children in California. Unfortunately, the timing of this bill is premature as it presupposes how the CSPP will be modified to account for the implementation of universal TK. Next January, modifications will be proposed to the CSPP in the 2022 Budget to align the program with the Master Plan for Early Learning and Care.

AB 131 (Committee on Budget) Chapter 116, Statutes of 2021, among other things, established a Rate Reform workgroup to be convened by CDSS for recommendations on rate methodology and existing program standards, including licensing standards, quality and environmental standards, and workforce competencies. Further, it required the workgroup to submit recommendations to the Legislature no later than August 15, 2022 in order to inform the JLBC recommendations on a single reimbursement rate system.

SB 246 (Leyva) of the 2021-22 Session would have required DSS to establish a single reimbursement rate for early learning and care programs, including variation for regional costs and quality adjustment factors. This bill was held in the Assembly Education Committee.

SB 89 (Committee on Budget and Fiscal Review) Chapter 24, Statutes of 2020, authorized the transfer of several childcare and development programs administered by the CDE to the DSS effective July 1, 2021.

AB 123 (McCarty) of the 2019-20 Session would have established the Pre-K for All Act; expanded the eligibility for CSPP; increased the reimbursement rate for the CSPP and required a portion of the increase to be used to increase teacher pay; required CSPP lead teachers to hold a Bachelor's degree by a specified date; and established a program to provide financial support to childcare workers pursuing a Bachelor's degree. This bill was held in the Senate Appropriations Committee.

SB 443 (Rubio) of the 2019-20 Session would have deleted the provision that prohibits a child admitted to TK who has their 5th birthday after December 2nd from generating ADA or being included in the enrollment or unduplicated pupil count until they turn 5-years-old, thereby expanding eligibility for TK to all 4-year-olds. This bill was held in the Senate Appropriations Committee.

AB 2500 (McCarty) of the 2019-20 Session would have deleted the provision that prohibits a child admitted to TK has their 5th birthday after December 2nd from generating ADA or being included in the enrollment or unduplicated pupil count until they turn 5-years-old, thereby expanding eligibility for TK to all 4-year-olds. This bill was held in the Assembly Education Committee.

SB 1154 (Liu) of the 2015-16 Session would have modernized, clarified and codified the duties and responsibilities of R&R programs. Among other things, it would have required an R&R program to provide specified additional services, including training and workshops relating to childcare services, providing community resource assistance, and collaborating with and assisting other community agencies in planning, coordinating, and improving childcare. This bill was held in the Senate Appropriations Committee.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Bananas  
California Catholic Conference  
California Legislative Women's Caucus  
Low Income Investment Fund  
Oakland Starting Smart and Strong

**Opposition**

None on file

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