

KEY TAKEAWAY: CDE/CSPP and CDSS use parallel statutory methodologies, but each calculation relies on different program enrollment and expenditure data.

This appears to explain why CDE's final published Cost of Care Plus (COC+) rates are \$4–\$6 per child per month higher than the rates in the draft CDSS Child Care Bulletin (CCB).

WHAT DOES AB 150 DO

AB 150 does not simply increase COC+ by 2.009%. Instead, the statute uses the dollar value of the FY 2026–27 2.009% COLA as the funding pool. DOF compares that amount with the projected cost of existing COC+ payments and uses the resulting calculation to determine the monthly per-child COC+ increase.

Under Education Code § 8242(d) and Welfare & Institutions Code § 10277.6, DOF uses parallel calculations based on: **(1) the COLA funding amount; and (2) projected enrollment and expenditure assumptions for each program population.**

PARALLEL FORMULAS — DIFFERENT ENROLLMENT POPULATIONS

<u>CDE / CSPP — Education Code § 8242(d)</u>	<u>CDSS — WIC § 10277.6</u>
DOF calculates (1) the total dollar cost of the 2.009% COLA for CSPP and (2) the estimated cost of existing COC+ payments using CDE's projected CSPP enrollment. The calculation produces the monthly per-child increase added to the regional COC+ rates.	DOF calculates (1) the total dollar cost of the 2.009% COLA for CDSS-administered subsidized child care programs and (2) the estimated cost of existing COC+ payments using CDSS's projected child care enrollment. The calculation produces the monthly per-child increase.

FY 2026–27 REGIONAL COC + RATES

Region	CDE / CSPP Published	CDSS Draft CCB	Difference
Central	\$177	\$173	\$4
Northern	\$179	\$175	\$4
Southern	\$203	\$198	\$5
Los Angeles	\$216	\$211	\$5
Bay Area	\$268	\$262	\$6

CDE states its published rates apply to both centers and FCCHEN providers. The CDSS amounts above are from the draft CCB and should be treated as draft until finalized.

AB 150 does not simply increase COC+ payments by 2.009%. It uses the dollar value of the FY 2026-27 2.009% COLA as the funding pool for increasing COC+ payments.

Under [Education Code § 8242\(d\)](#) and Welfare & Institutions Code § 10277.6, DOF uses parallel calculations based on: **(1) the COLA funding amount; and (2) projected enrollment and expenditure assumptions for each program population.**

The methodology is parallel. The populations and underlying data are not. CDE uses projected CSPP enrollment; CDSS uses projected enrollment in CDSS-administered subsidized child care programs.

WHY THIS MATTERS

Different rates do not necessarily mean it costs more to provide care under CSPP. Providers face many of the same costs - staffing, rent, insurance, utilities, licensing, food and supplies - regardless of which public program funds a child's care.

POLICY QUESTION If COC+ is intended to recognize the cost of providing care, should comparable providers receive different monthly amounts solely because a child is funded through CSPP rather than CAPP, CalWORKs or another CDSS program?

WHAT WE STILL NEED FROM CDSS/DOF

To fully explain the \$4-\$6 differential, CDSS/DOF should release the calculation supporting the draft rates, including: **enrollment assumptions | expenditure assumptions | COLA funding amount | existing COC+ cost | final per-child calculation.**