

Section 8492.1 of the Education Code is amended to read:

8492.1. (a) The Legislature finds and declares all of the following:

(1) Early childhood inclusion embodies the values, policies, and practices that support the right of every infant and young child and his or her family, regardless of ability, to participate in a broad range of activities and contexts as full members of families, communities, and society. The desired results of inclusive experiences for children with and without disabilities and their families include a sense of belonging and membership, positive social relationships and friendships, and development and learning to reach their full potential. The defining features of inclusion that can be used to identify high quality early childhood programs and services are access, participation, and supports.

(2) In accordance with IDEA, all young children with exceptional needs should have access to inclusive high-quality early care and education programs, where they are able to learn alongside children who do not have exceptional needs, and are provided with individualized and appropriate supports to enable them to meet high expectations.

~~(4)~~ **(3)** Inclusive early care and education programs can improve a child's developmental progress and educational outcomes, especially for children with exceptional needs.

~~(2)~~ **(4)** Interventions provided to children with exceptional needs, including children who are at risk of requiring services for pupils with exceptional needs, can be more effective when a child is younger.

~~(3)~~ **(5)** Access to inclusive early care and education programs benefits communities and families, especially when programs are coordinated with public elementary and secondary education systems to create a developmental and educational continuum of support.

~~(a)(b)~~ The Inclusive Early Education Expansion Program ~~for Local Educational Agencies~~ is hereby established for the purpose of increasing access to inclusive early care and education programs.

~~(b)(c)~~ The sum of one hundred ~~twenty-five sixty-seven~~ million ~~two hundred forty-two thousand~~ dollars ~~(\$125,000,000) (\$167,242,000)~~ is hereby appropriated from the General Fund to the Superintendent for allocation to local educational agencies for the Inclusive Early Education Expansion Program for Local Educational Agencies and pursuant to this section. Funds shall be available for encumbrance until June 30, 2023.

~~(e)(d)~~ The department's Special Education Division and the Early Education and Support Division shall work collaboratively to administer the program, including developing criteria for the selection of grantees.

~~(d)(e)~~ At a minimum, an applicant shall be a local educational agency and shall include all of the following information in its grant application:

(1) A proposal to increase access to subsidized inclusive early care and education programs for children up to five years of age, **including those defined as children with exceptional needs in Section 8208(i),** in low-income and high-need communities. "High-need" shall be defined pursuant to the county child care needs assessment specified in section 8499.5. The proposal must quantify the number of additional subsidized children proposed to be served, **including children with exceptional needs.**

(2) A plan to fiscally sustain subsidized spaces or programs created by grant funds beyond the grant period. Subsidies may be funded with private, local, state, or federal funds, but shall be able to demonstrate a reasonable expectation of sustainability.

(3) The identification of **local** resources ~~for a to contribute~~ 33-percent ~~local match of funding of the total award amount. The total award amount shall include state and local funds. This match Local funds~~ may include in-kind contributions.

(4) The identification of resources necessary to support lead agency professional development **in to allow staff to develop the knowledge and skills required to implement** effective inclusive practices and fiscal sustainability.

(5) A description of the special education expertise that will be used to ensure the funds are used in a high quality, inclusive manner.

(e) Nothing in this section shall prohibit a local educational agency from applying on behalf of a consortium of providers within the local educational agency's program area, including **public and non-public** agencies that will provide inclusive early care and education programs on behalf of the applicant.

(f) Grants shall be awarded on a competitive basis. Priority shall be given to:

(1) Applicants with a demonstrated need for expanded access to inclusive early care and education.

(2) Applicants in low-income communities, and applicants that represent a consortium of local partners, including local special education partners and those with expertise in inclusive early learning and care environments.

(3) Applicants who demonstrate the ability to serve a broad range of disabilities.

(4) Applicants who do or plan to serve children with disabilities in proportion to their rate of identification similar to the educational organizations in their region.

(g) Grants may be used for one-time infrastructure costs only, including, but not limited to, adaptive **and universal design** facility renovations, adaptive equipment, and professional development. Funds may not be used for ongoing expenditures.

(h) All grant recipients must commit to provide program data **and participate in overall program evaluation to ensure expanded access to inclusive environments**, as specified by the department, as a condition of the receipt of grant funding.

(i) The Department may reserve up to one percent of the program funds to support an evaluation to address: (1) improved access, participation, and supports to inclusive early learning and care programs; and (2) program and child outcomes.

(i) (j) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the amount appropriated in subdivision **(b) (c)** shall be deemed to be "General Fund revenues appropriated for school districts," as defined in subdivision (c) of Section 41202 of the Education Code, for the **2018-19 2017-18** fiscal year, and included within the "total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B," as defined in subdivision (e) of Section 41202 of the Education Code, for the **2018-19 2017-18** fiscal year.

Inclusive Early Education Expansion Program

Section 8492 of the Education Code is repealed.

8492. (a) The Legislature finds and declares all of the following:

(1) Inclusive early care and education programs can improve a child's developmental progress and educational outcomes, especially for children with exceptional needs.

(2) Interventions provided to children with exceptional needs, including children who are at risk of requiring services for pupils with exceptional needs, can be more effective when a child is younger.

(3) Access to inclusive early care and education programs benefits communities and families, especially when programs are coordinated with public elementary and secondary education systems to create a developmental and educational continuum of support.

(b) The Inclusive Early Education Expansion Program is hereby established for the purpose of increasing access to inclusive early care and education programs.

(c) The department shall use funds appropriated in Schedule 12 of Item 6100-194-0001 of Section 2.00 of the Budget Act of 2018 pursuant to this section. Funds shall be available for encumbrance until June 30, 2023.

~~(d) The department's Special Education Division and Early Education and Support Division shall work collaboratively to administer the program, including developing criteria for the selection of grantees.~~

~~(e) At a minimum, an applicant shall include all of the following information in its application:~~

~~(1) A proposal to increase access to subsidized inclusive early care and education programs for children up to five years of age in low-income and high-need communities. "High-need" shall be defined pursuant to the county child care needs assessment specified in Section 8499.5. The proposal shall quantify the number of additional subsidized children proposed to be served.~~

~~(2) A plan to fiscally sustain subsidized spaces or programs created by grant funds beyond the grant period. Subsidies may be funded with private, local, state, or federal funds, but shall be able to demonstrate a reasonable expectation of sustainability.~~

~~(3) The identification of resources for a 33-percent local match of funding. This match may include in-kind contributions.~~

~~(4) The inclusion of a set-aside of resources to invest in professional development in effective inclusive practices and fiscal sustainability.~~

~~(f) Grants shall be awarded on a competitive basis. Priority shall be given to applicants with a demonstrated need for expanded access to inclusive early care and education, as well as applicants that represent a consortium of local partners.~~

~~(g) Grants may be used for one-time infrastructure costs only, including, but not limited to, adaptive facility renovations, adaptive equipment, and professional development. Funds shall not be used for ongoing expenditures.~~

~~(h) Expenditures must comply with Subchapter IV (commencing with Section 601) of Chapter 7 of Title 42 of the United States Code.~~

~~(i) A grant recipient shall commit to provide program data, as specified by the department, as a condition of the receipt of grant funding.~~

Alternative Payment Program Contract

Section 8220.1 of the Education Code is amended to read:

(New for May Revision)

8220.1. (a) It is the intent of the Legislature that:

(1) Working families be supported with maximum access to child care and development programs that focus on stabilizing families and helping children realize greater education outcomes.

(2) Working families have access to the supportive services needed to ensure the healthy physical, cognitive, social, and emotional growth and development of children.

(3) The Superintendent, in providing funding to child care and development agencies, promote a contracting term for services that will allow parents the opportunity to choose the type of care most suited to their needs.

(4) Working families achieve and maintain their personal, social, economic, and emotional stability through an opportunity to attain financial stability through employment and parental development while maximizing the growth and development of their children, and through enhancing their parenting skills through participation in child care and development programs.

(b) The department shall contract with local contracting agencies for alternative payment programs so that services will be provided throughout the state. The department shall expand existing alternative payment programs and fund new alternative payment programs to the extent that funds are provided by the Legislature.

(c) Funding for the new programs pursuant to this section shall be allocated to programs that meet all of the following requirements:

- (1) Applicants shall conform to the requirements of this article.
- (2) Applicants shall demonstrate that an alternative payment child development program is an appropriate method of delivering child care services within the county or service area at the level requested in the application by doing either of the following:
 - (A) Demonstrating the availability of sufficient licensed or exempt child care providers.
 - (B) Providing a plan for the development of sufficient licensed child care providers working in cooperation with the local resource and referral agency.
- (3) Applicants shall demonstrate the administrative viability of the alternative payment agency and its capacity to meet performance requirements.
- (4) Existing alternative payment child development programs receiving funds for expansion into a new service area shall be funded at a documented rate appropriate to that community and may contract separately as appropriate.
- (d) (1) Except as provided in paragraph (3), an alternative payment program shall have no less than ~~36~~ 12 months and no more than 24 months to expend funds allocated to that program in any fiscal year.
- (2) The Superintendent shall develop a process that provides alternative payment programs no less than ~~36~~ 12 months and no more than 24 months to expend funds allocated to that program in any fiscal year.
- (3) Paragraphs (1) and (2) do not apply to contracts relating to the administration of child care services described in Sections 8353 and 8354.