

appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 98, as amended, Committee on Budget and Fiscal Review. Education finance: education omnibus budget trailer bill.

(1) Existing law requires the State Department of Education to develop, on or before June 30, 2020, a standardized English language teacher observation protocol for use by teachers in evaluating a pupil's English language proficiency.

This bill would extend the date for completion of that protocol until December 31, 2021.

(2) The Child Care and Development Services Act, administered by the State Department of Education, requires the Superintendent of Public Instruction to administer childcare and development programs that offer a full range of services to eligible children from infancy to 13 years of age. The act requires the department to contract with local contracting agencies to provide for alternative payment programs, and authorizes alternative payments to be made for childcare services, as provided. The act requires that families meet specified requirements to be eligible for federal- and state-subsidized childcare and development services.

This bill would require the Superintendent to reimburse contracting agencies for certain state-subsidized childcare programs from July 1, 2020, to June 30, 2021, inclusive, due to the ongoing impacts of childcare and development facility closures and low child attendance due to the COVID-19 pandemic and related public health directives, if the contracting agency meets one of 2 specified conditions. The bill would require a childcare program that receives that reimbursement and that is physically closed due to the COVID-19 pandemic, but funded to be operational, to submit a distance learning plan to the department pursuant to guidance from the Superintendent and to provide those distance learning services.

The bill would require the Controller, on July 1, 2020, to transfer \$152,314,000 from the Federal Trust Fund, consistent with specified federal requirements, to the General Fund to offset the state costs of providing assistance to childcare providers during the COVID-19 pandemic from March 4, 2020, to August 28, 2020, as provided. The bill would appropriate \$198,000,000 from the Federal Trust Fund, consistent with those same federal requirements, to the Superintendent

for COVID-19 pandemic-related relief and assistance for childcare providers, the families those childcare providers serve, and essential workers, as provided. The bill would require that all children who meet specified childcare need and eligibility requirements who were enrolled pursuant to certain executive orders be first priority for enrollment in alternative payment programs with available capacity.

The bill would require the State Department of Education to prioritize federal funding for specified childcare and preschool programs in a certain order contingent on the receipt of federal funds authorized to be used for these purposes during the 2020–21 fiscal year.

The bill would require an alternative payment agency, as provided, to provide to the department, on a monthly basis, data about childcare caseload in the alternative payment program and migrant childcare and development programs.

(3) Existing law establishes the Early Learning and Care Infrastructure Grant Program under the administration of the Superintendent of Public Instruction to expand access to early learning and care opportunities for children up to 5 years of age by providing resources to build new facilities or retrofit, renovate, or expand existing facilities, as provided. Existing law appropriates \$245,000,000 from the General Fund to the State Department of Education for these purposes, to be released on a prescribed schedule.

This bill instead would require all \$245,000,000 appropriated for the Early Learning and Care Infrastructure Grant Program to be released in the 2019–20 fiscal year. The bill would require the amounts appropriated and transferred for purposes of the program to revert to the General Fund on June 30, 2020.

(4) Existing law establishes the Early Learning and Care Workforce Development Grants Program under the administration of the Superintendent to expand the number of qualified early learning and care professionals and increase the educational credentials of existing early learning and care professionals across the state, as provided. Existing law appropriates \$150,000,000 from the General Fund to the department for these purposes, to be released on a prescribed schedule.

This bill instead would require all \$150,000,000 appropriated for the Early Learning and Care Workforce Development Grants Program to be released in the 2019–20 fiscal year. The bill would require the amounts appropriated and transferred for purposes of the program to revert to the General Fund on June 30, 2020.



(7) The Full-Day Kindergarten Facilities Grant Program appropriates \$300,000,000 for the 2019–20 fiscal year from the General Fund to the State Allocation Board to provide one-time grants to school districts to construct new school facilities or retrofit existing school facilities for the purpose of providing full-day kindergarten classrooms, as specified.

This bill, commencing with 2019–20 fiscal year, instead would make this program contingent upon appropriation by the Legislature.

(8) Existing law authorizes school district governing boards to sell, or lease for a term not exceeding 99 years, any real property belonging to the school district. Existing law establishes procedures for the conduct of these sales and leases, and specifies the purposes for which funds derived from these transactions may be used.

Until July 1, 2024, this bill would expand the purposes for which funds from those transactions may be used by authorizing a school district to deposit the proceeds from the sale or lease of surplus real property, together with any personal property located on the property, purchased entirely with local funds, into the general fund of the school district and to use the proceeds for any one-time general fund purpose, as provided.

(9) Existing law authorizes a school district to enter into leases and agreements relating to real property and buildings to be used jointly by the district and any private person, firm, local governmental agency, as defined, or corporation. Existing law prohibits the governing board of a school district from approving a proposal or entering into a lease or contract incorporating a proposal until the governing board submits the proposal to the State Board of Education, and the state board approves the proposal. Existing law requires the state board to notify the governing board of its approval or disapproval within 45 days of the date of submission.

This bill would repeal the above-described prohibition on the governing board of a school district and related requirements on the state board.

(10) Existing law prescribes the procedure to reorganize school districts, including the filing of a petition with the county superintendent of schools by specified persons. Existing law authorizes a county committee on school district organization for certain petitions to transfer territory to approve the petition, as provided. Existing law authorizes an action by the county committee on school district organization approving or disapproving a petition to transfer territory to be appealed to the State Board of Education by the chief petitioners or one or more

and would require a county superintendent of schools to send a written notice of going concern determination under certain circumstances.

(17) Existing law provides for a specified annual funding increase for special education and childcare and development programs if an inflation or cost-of-living adjustment is not otherwise provided for those programs.

This bill would suspend that annual funding increase for childcare and development programs for the 2020–21 fiscal year.

(18) Existing law requires local educational agencies to meet specified minimum requirements for the number of instructional minutes offered during a schoolday, instructional minutes offered during a school year, and instructional days offered in a school year.

This bill, for the 2020–21 school year, would waive the minimum requirements for instructional minutes offered during the school year and would authorize a local educational agency to meet the minimum requirements for instructional minutes offered during a schoolday and for instructional days offered in the 2020–21 school year through in-person instruction or a combination of in-person instruction and distance learning, as provided.

The bill would require a local educational agency that offers distance learning during the 2020–21 school year to comply with specified requirements. The bill would require local educational agencies to document pupils' participation on each schoolday for which distance learning is provided and to regularly communicate with parents and guardians regarding a pupil's academic progress. The bill would require the Superintendent of Public Instruction to withhold a portion of a local educational agency's funding apportionments for failing to offer the minimum number of instructional days in the 2020–21 school year. To the extent these provisions impose additional requirements on school districts, county offices of education, and charter schools, the bill would create a state-mandated local program.

(19) Existing law requires, on or before July 1, 2014, governing boards of school districts and county boards of education to adopt a local control and accountability plan, as provided. Existing law requires charter schools, on or before July 1, 2015, and each year thereafter, to adopt a local control and accountability plan to update the goals and annual actions to achieve those goals identified in the charter petition, as provided.

This bill would provide that school districts, county boards of education, and charter schools are not required to adopt a local control



(27) Existing law authorizes a school district or charter school to maintain a transitional kindergarten program. Existing law requires, as a condition of receipt of apportionment for pupils in a transitional kindergarten program pursuant to the statutory methods of calculating average daily attendance, that a school district or charter school ensure that credentialed teachers who are first assigned to a transitional kindergarten classroom on or after July 1, 2015, have, by August 1, 2020, met one of 3 designated criteria establishing qualification for the position.

This bill would delay until August 1, 2021, the deadline for a credentialed teacher first assigned to a transitional kindergarten classroom on or after July 1, 2015, to meet one of the designated criteria referenced above.

(28) Existing law requires the Superintendent of Public Instruction to award a State Seal of Biliteracy. Existing law provides that the State Seal of Biliteracy certifies attainment of a high level of proficiency by a graduating high school pupil in one or more languages, in addition to English, and certifies that the graduate meets specified criteria, including, among other criteria, that proficiency in a language other than English is demonstrated through one of several designated methods.

This bill would provide that, notwithstanding the designated requirements for the State Seal of Biliteracy referenced above, for those pupils on track to graduate in 2020 or 2021, who were unable to take the assessments identified in existing law, or who did not receive a letter grade in English language arts, the Superintendent may provide alternatives to demonstrating attainment of a high level of proficiency in one or more languages in addition to English.

(29) Existing law requires, on or before March 31, 2014, the State Board of Education to adopt templates for use by school districts, county superintendents of schools, and charter schools for purposes of the local control and accountability plans.

This bill would require the template adopted by the state board to require the inclusion of specified information relating to stakeholder engagement, as provided. The bill would require, on or before January 31, 2022, the instructions developed by the state board to require certain school districts, county offices of education, and charter schools to include a goal in their respective local control and accountability plan focused on improving the performance of pupil subgroups or focused on addressing the disparities in performance at certain schools within a school district or county office of education, as applicable. To the

the Controller to request a writ of mandate to require the county auditor-controller to immediately perform this duty, as provided.

(41) Existing law provides for various programs, responsibilities, services, and systems relating to childcare and childhood development that are administered by the State Department of Education and the Superintendent of Public Instruction, including, among other programs, alternative payment programs, CalWORKs Stage 2 and Stage 3 childcare, general childcare and development programs, migrant childcare and development programs, childcare for children with severe disabilities, Head Start programs, and specified grant programs.

This bill, effective July 1, 2021, would transfer those programs, responsibilities, services, and systems from the State Department of Education and the Superintendent to the State Department of Social Services. The bill would vest the State Department of Social Services with all the powers, functions, duties, responsibilities, obligations, liabilities, and jurisdiction of those programs, responsibilities, services, and systems and would authorize the department to enter into memoranda of understanding or interagency agreements or contracts with the California Health and Human Services Agency, its other departments and offices, the State Department of Education, and any other state agency, department, or office, as necessary to implement the transfer of those programs, responsibilities, services, and systems. The bill would provide that any law governing those transferred programs, responsibilities, services, or systems that refer to the State Department of Education or to the Superintendent would be construed to be to the State Department of Social Services. The bill would require the Governor to, on or before July 1, 2021, establish the position of Deputy Director of Child Development within the State Department of Social Services, as an exempt position, to be appointed by the Governor, subject to confirmation by the Senate, and who holds office at the pleasure of the Governor.

(42) Existing law appropriates, for the 2017–18 fiscal year, \$10,000,000 from the General Fund to the State Department of Social Services in order to provide additional services for refugee pupils and unaccompanied undocumented minors by allocating funding to school districts impacted by significant numbers of refugee pupils, other eligible populations served by the federal Office of Refugee Resettlement, and unaccompanied undocumented minors using a formula to be developed by the department based upon the refugee and unaccompanied



requires the State Department of Education to adjust the funding amount for a program based on its attendance, as provided.

Existing law establishes the 21st Century High School After School Safety and Enrichment for Teens (High School ASSETs) program to create incentives for establishing after school enrichment programs to provide academic support and safe, constructive alternatives for high school pupils in the hours after the regular schoolday and to support college and career readiness. Existing law requires the department to adjust the funding amount for a program based on its attendance, as provided.

This bill would authorize the department, during the 2020–21 school year, to waive the above-described provisions relating to an ASES program's hours of operation and pupil-to-staff ratio, and to waive the required funding adjustments for the ASES and High School ASSETs programs. The bill would authorize the department, during the 2020–21 school year, to prorate the funding rates for programs receiving ASES grants operating for more than 3 hours per day, up to 6 hours per day.

(50) If the Superintendent of Public Instruction and the Director of Finance concur that repayment in the current fiscal year of \$2,339,317 by the Guerneville Elementary School District for the 2018–19 fiscal year would constitute a severe financial hardship for that school district, the bill would authorize the Superintendent and the Director of Finance to establish a plan of equal annual payments over a period of up to 5 fiscal years, as provided.

(51) The Leroy F. Greene School Facilities Act of 1998 establishes a program in which the State Allocation Board is required to provide state per-pupil funding for new construction and modernization of school facilities. The act requires the board to require applicant school districts that receive funding under the act to establish a restricted account within the general fund of the school district for the exclusive purpose of providing moneys for ongoing and major maintenance of school buildings and to agree to deposit minimum amounts into the restricted account based on certain calculations. Existing law excludes certain moneys appropriated for the State Teachers' Retirement System and the Public Employees' Retirement System for the 2018–19 fiscal year from counting for purposes of those calculations.

This bill would expand that exclusion to include certain moneys appropriated for the State Teachers' Retirement System and the Public Employees' Retirement System regardless of fiscal year from counting for purposes of those calculations.

(3) Institutions of higher education in the preparation of new teachers.

(d) (1) In developing this protocol, the department shall consult, at a minimum, with current content area teachers at different grade levels, English language development teachers, bilingual teachers, and special education teachers, and with experts with demonstrated experience in observing and documenting pupil academic language practices and in developing and administering assessments for English learners. The department shall ensure that the majority of individuals with whom it consults are currently teaching, credentialed teachers who regularly instruct English learner pupils.

(2) In developing the protocol, the department shall pilot the protocol with educators and pupils, and refine instruments and guidelines as needed.

(3) The department shall also conduct a validation process to ensure the protocol appropriately assesses the intended target language constructs, demonstrates a meaningful relationship to the performance levels for the English language development test and assessed classroom language use, and reflects pupil progress toward attaining targeted constructs.

(e) The department shall provide guidance to school districts, county offices of education, and charter schools on the use of the protocol.

(f) The department shall develop and make available to school districts, county offices of education, and charter schools professional development tools to train teachers on the use of the protocol. These tools may include, but are not limited to, audio and video samples of English learner pupils' language use for the purpose of assisting educators using the protocol in calibrating judgments about observed language use.

SEC. 2. Section 2572 of the Education Code is amended to read:

2572. The product computed pursuant to subdivision (c) of Section 2571 is the amount of property tax revenues to be allocated to special education programs. This amount shall be subtracted pursuant to Section 56836.15.

SEC. 3. Section 8209 of the Education Code is amended to read:

8209. (a) If a state of emergency is declared by the Governor, the Superintendent may waive any requirements of this code or



1 regulations adopted pursuant to this code relating to childcare and  
2 development programs operated pursuant to this chapter only to  
3 the extent that enforcement of the regulations or requirements  
4 would directly impede disaster relief and recovery efforts or would  
5 disrupt the current level of service in childcare and development  
6 programs.

7 (b) If a state of emergency is declared by the Governor, the  
8 Superintendent may waive any requirements of this code or  
9 regulations adopted pursuant to this code relating to child nutrition  
10 programs in childcare and development programs operated pursuant  
11 to this chapter only to the extent that enforcement of the regulations  
12 or requirements would directly impede disaster relief and recovery  
13 efforts or would disrupt the current level of service in childcare  
14 and development programs.

15 (c) A waiver granted pursuant to subdivision (a) or (b) shall not  
16 exceed 45 calendar days.

17 (d) For purposes of this section, “state of emergency” includes  
18 fire, flood, earthquake, or a period of civil unrest.

19 (e) If a request for a waiver pursuant to subdivision (a) or (b)  
20 is for a childcare and development program or child nutrition  
21 program that receives federal funds and the waiver may be  
22 inconsistent with the state plan or any federal law or regulations  
23 governing the program, the Superintendent shall seek and obtain  
24 approval of the waiver from the appropriate federal agency before  
25 granting the waiver.

26 (f) (1) From July 1, 2020, to June 30, 2021, inclusive, due to  
27 the ongoing impacts of childcare and development facility closures  
28 and low child attendance due to the COVID-19 pandemic and  
29 related public health directives, the Superintendent shall reimburse  
30 a contracting agency for a California state preschool program  
31 pursuant to Article 7 (commencing with Section 8235), a general  
32 childcare and development program pursuant to Article 8  
33 (commencing with Section 8240), a family childcare home  
34 education network pursuant to Article 8.5 (commencing with  
35 Section 8245), a migrant childcare and development program  
36 pursuant to Article 6 (commencing with Section 8230), or childcare  
37 and development services for children with special needs pursuant  
38 to Article 9 (commencing with Section 8250) that meets either of  
39 the following requirements:

1 (A) The program operated by the contracting agency opens by  
2 September 8, 2020, or within 21 calendar days from the start date  
3 of the contracting agency's 2020–21 program calendar approved  
4 by the department, whichever is sooner, and remains open and  
5 offering services through the 2020–21 program year.

6 (B) The program operated by the contracting agency is closed  
7 by a local or state public health order due to the COVID-19  
8 pandemic.

9 (2) Reimbursement pursuant to paragraph (1) shall be 100  
10 percent of the contract maximum reimbursable amount or net  
11 reimbursable program costs, whichever is less, pursuant to guidance  
12 released by the Superintendent.

13 (3) A childcare program specified in paragraph (1) that is  
14 physically closed pursuant to subparagraph (B) of paragraph (1)  
15 due to the COVID-19 pandemic, but funded to be operational,  
16 shall provide distance learning services as specified by the  
17 Superintendent. A contractor specified in paragraph (1) shall submit  
18 a distance learning plan to the department pursuant to guidance  
19 from the Superintendent.

20 SEC. 4. Section 8227.7 of the Education Code is amended to  
21 read:

22 8227.7. (a) Commencing July 1, 2020, alternative payment  
23 programs shall provide notice to a childcare provider of a change  
24 in reimbursement amounts for childcare services, a change in the  
25 hours of care, rates, or schedules, an increase or decrease in parent  
26 fees, or a termination of services, including, but not limited to, a  
27 family's change in provider. For purposes of this section, the notice  
28 shall occur either electronically, if requested by the childcare  
29 provider, or via the United States Postal Service. The alternative  
30 payment program shall provide the notice, as well as the effective  
31 date of any change described above, on the same day a notice of  
32 action is issued to a family.

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

36 SEC. 5. Section 8227.8 is added to the Education Code, to  
37 read:

38 8227.8. An alternative payment agency, including, but not  
39 limited to, an alternative payment agency for migrant childcare  
40 and development programs pursuant to Article 6 (commencing



1 with Section 8230), shall provide to the department, on a monthly  
2 basis, data about childcare caseload in the alternative payment  
3 program pursuant to Article 3 (commencing with Section 8220)  
4 and migrant childcare and development programs pursuant to  
5 Article 6 (commencing with Section 8230). This data shall include  
6 county-by-county caseload, expenditures, unit costs, family fees,  
7 and other key variables requested by the department to determine  
8 any additional state allocations to these programs and for purposes  
9 of emergency response.

10 SEC. 6. Section 8280 of the Education Code is amended to  
11 read:

12 8280. (a) The Superintendent shall administer the Early  
13 Learning and Care Infrastructure Grant Program to expand access  
14 to early learning and care opportunities for children up to five  
15 years of age by providing resources to build new facilities or  
16 retrofit, renovate, or expand existing facilities pursuant to this  
17 section.

18 (b) Notwithstanding any other law, the Child Care Facilities  
19 Revolving Fund shall remain operative for the sole purpose of  
20 collecting deposits derived from the Child Care Facilities  
21 Revolving Fund program pursuant to Section 8278.3.

22 (1) The Superintendent shall deposit all revenue derived from  
23 the lease payments or renovation or repair loan payments into the  
24 Child Care Facilities Revolving Fund until December 31, 2029.

25 (2) Local educational agencies and contracting agencies using  
26 facilities purchased with funds pursuant to Section 8278.3 before  
27 December 31, 2019, shall be charged a leasing fee, either at fair  
28 market value for those facilities or at an amount sufficient to  
29 amortize the cost of purchase and relocation, whichever amount  
30 is lower, over a 10-year period. Upon full repayment of the  
31 purchase and relocation costs, title shall transfer from the State of  
32 California to the local educational agency or contracting agency.  
33 Loans for renovation or repair shall be repaid within a period that  
34 does not exceed 10 years.

35 (3) As of December 31, 2019, the remaining balance of the  
36 Child Care Facilities Revolving Fund shall be allocated as follows:

37 (A) The sum of ten million dollars (\$10,000,000) shall be  
38 transferred to the Inclusive Early Education Expansion Program,  
39 pursuant to Section 8492.

1 (B) Following the transfer pursuant to subparagraph (A), the  
2 remaining balance shall be allocated for the purposes described in  
3 this section.

4 (C) Any balance derived from the ongoing deposits of the lease  
5 payments or renovation or repair loan payments after December  
6 31, 2019, shall be allocated through the annual Budget Act process.

7 (c) The Superintendent shall award infrastructure grants on a  
8 competitive basis to early learning and care providers that are not  
9 local educational agencies, and operate as a licensed childcare  
10 center, preschool, or licensed family childcare home for the  
11 following purposes:

12 (1) Construction of new early learning and care facilities to  
13 increase capacity or recover lost capacity as a result of a state or  
14 federally declared disaster.

15 (2) Renovation, repair, modernization, or retrofitting of existing  
16 early learning and care facilities to increase capacity or recover  
17 lost capacity as a result of a state or federally declared disaster, or  
18 make existing early learning and care facilities more resilient for  
19 future natural disasters.

20 (3) Renovation, repair, modernization, or retrofitting of existing  
21 facilities for use as early learning and care facilities.

22 (4) Renovation, repair, modernization, or retrofitting of existing  
23 early learning and care facilities to address health and safety or  
24 other licensure needs to the extent the applicant can demonstrate  
25 a financial hardship, and that failure to correct the issues would  
26 result in an inability to provide care. Funds awarded in this category  
27 shall be limited to high-need providers based on criteria established  
28 by the Superintendent.

29 (d) The Superintendent shall require all of the following from  
30 applicants for the infrastructure grants:

31 (1) A proposal to increase capacity and local access to subsidized  
32 early learning and care programs for children up to five years of  
33 age, including children with exceptional needs. The proposal shall  
34 quantify the number of additional children who will be provided  
35 with access to subsidized early learning and care programs.

36 (2) A plan to fiscally sustain the increase in subsidized spaces  
37 or programs created through the use of these funds. Subsidies may  
38 be funded with private, local, state, or federal funds, but shall be  
39 able to demonstrate reasonable expectations of sustainability.



1 (3) Specific activities and materials for which grant funding  
2 will be used.

3 (4) A description of how the applicant will measure outcomes  
4 associated with the proposal submitted pursuant to paragraph (1),  
5 as specified by the Superintendent.

6 (5) An outline of any potential challenges or barriers the  
7 applicant will experience or expect to experience in building  
8 capacity, including the need for any technical assistance to address  
9 the identified challenges or barriers.

10 (e) The Superintendent shall give priority for grant funding  
11 based on the following:

12 (1) Applicants with a demonstrated need for expanded access  
13 to subsidized early learning and care programs as measured by the  
14 ratio of children in subsidized early learning and care programs to  
15 eligible children in the applicant's service area.

16 (2) Applicants in low-income communities, as measured by the  
17 proportion of children that qualify for state or federal subsidies  
18 for early learning and care programs.

19 (3) Applicants who plan to use grant funding to serve children  
20 that qualify for state or federal subsidies for early learning and  
21 care programs.

22 (4) Applicants serving children from birth to five years of age,  
23 inclusive, with exceptional needs in inclusive environments.

24 (5) Applicants wishing to recover lost capacity as a result of a  
25 state or federally declared disaster.

26 (f) Infrastructure grants may be used for one-time infrastructure  
27 costs only, including, but not limited to, universal design facility  
28 renovations, retrofitting to meet licensing requirements, the cost  
29 of design, engineering, testing, inspections, plan checking,  
30 construction management, site acquisition and development,  
31 evaluation and response action costs relating to hazardous  
32 substances at a new or existing site, demolition, construction,  
33 landscaping, or other related costs as determined by the  
34 Superintendent.

35 (g) The Superintendent shall determine the appropriate grant  
36 amount for each grantee, based upon factors that include, but are  
37 not limited to, the scope of the project, regional costs, the use of  
38 universal design to provide inclusive environments, the need to  
39 meet licensing requirements or health and safety standards, and  
40 the proportion of subsidized children to be served.

1 (h) The Superintendent shall establish the terms and conditions  
2 associated with accepting the infrastructure grant funds awarded  
3 pursuant to this section and determine a mechanism for recouping  
4 any grant moneys from grantees that do not adhere to those terms  
5 and conditions.

6 (i) The Superintendent shall establish a separate application and  
7 grant process for providing grant funds related to paragraph (4) of  
8 subdivision (c) that limits grantees to low-income providers who  
9 serve a minimum percentage of subsidized children. In establishing  
10 this process, the Superintendent shall consult with the State  
11 Department of Social Services to ensure grant funds are accessible  
12 to the highest need providers and shall consider the timeframe  
13 during which health and safety violations are cited and must be  
14 resolved.

15 (j) The grant program shall offer technical assistance to potential  
16 applicants before being awarded a grant that includes, but is not  
17 limited to, project development support and financial expertise,  
18 including assistance with coordinating financing from multiple  
19 sources.

20 (k) Infrastructure grant recipients shall commit to providing  
21 program data to the department, as specified by the Superintendent,  
22 and participate in overall program evaluation.

23 (l) (1) There is hereby appropriated two hundred forty-five  
24 million dollars (\$245,000,000) to the department from the General  
25 Fund for the infrastructure grant program established pursuant to  
26 this section to be released in the 2019–20 fiscal year.

27 (2) The Director of Finance may change the release of funds  
28 scheduled in paragraph (1), if deemed necessary. The director shall  
29 notify the Chairperson of the Joint Legislative Budget Committee,  
30 or the chairperson's designee, of the director's intent to notify the  
31 Controller of the necessity to change the release of funds scheduled  
32 in paragraph (1). The total amount released shall not be greater or  
33 lesser than the amount appropriated in paragraph (1). The  
34 Controller shall make the funds available to the department not  
35 sooner than five days after receipt of this notification.

36 (3) The program established pursuant to this section shall be  
37 funded from funds appropriated in this section, funds transferred  
38 from the Child Care Facilities Revolving Fund pursuant to Section  
39 8278.3, and federal funds appropriated for this purpose in the  
40 Budget Act of 2019. Notwithstanding Section 16304 of the



1 Government Code, of the amount appropriated for this program,  
2 the Superintendent shall allocate the funds available for the grants  
3 through the 2023–24 fiscal year, in approximately equal amounts  
4 each fiscal year as follows:

5 (A) In the 2019–20 fiscal year, for licensed early learning and  
6 care centers that are not local educational agencies, pursuant to  
7 this section.

8 (B) In each fiscal year thereafter, for all licensed early learning  
9 and care providers, including licensed family childcare home  
10 providers, to the extent the process described in subdivision (n) is  
11 complete.

12 (C) In each fiscal year, up to 5 percent of the amount provided  
13 for this program shall be used for the renovation, repair,  
14 modernization, or retrofitting of existing early learning and care  
15 facilities to address health and safety or other licensure needs  
16 pursuant to the process established pursuant to subdivision (i).

17 (m) Notwithstanding any other provision of this section, the  
18 Superintendent, with the concurrence of the executive director of  
19 the state board, shall recommend to the Department of Finance  
20 and the budget committees of the Legislature by January 1, 2021,  
21 any changes to the funding methodology in this section related to  
22 the recommendations and priorities provided pursuant to Section  
23 8207.

24 (n) Before March 1, 2020, the Superintendent, with the  
25 concurrence of the Department of Finance, shall establish an  
26 appropriate method, process, and structure for grant management,  
27 fiscal accountability, and technical assistance and supports for  
28 grantees that ensures transparency and accountability in the use  
29 of state funds. The Superintendent may set aside up to 5 percent  
30 of the total amount appropriated for the program to contract with  
31 one or more community development financial intermediaries,  
32 state financial entities, or other community-based organizations  
33 for these purposes. Beginning in the 2020–21 fiscal year, the  
34 Legislature may reassess the total amount set aside for purposes  
35 of this subdivision. The Superintendent shall notify the Joint  
36 Legislative Budget Committee when this process is established.

37 (o) For purposes of this section, “state or federally declared  
38 disaster” means counties where early learning and care providers  
39 are operating subject to a Presidential declaration of an emergency  
40 or major disaster, pursuant to the federal Robert T. Stafford



1 Disaster Relief and Emergency Assistance Act (42 U.S.C. Sec.  
2 5121 et seq.), or a Governor's Proclamation, on behalf of the  
3 impacted local government, as authorized by the powers authorized  
4 by the California Emergency Services Act (Chapter 7 (commencing  
5 with Section 8550) of Division 1 of Title 2 of the Government  
6 Code).

7 (p) The Superintendent shall provide annual reports, until  
8 December 31, 2025, to the Governor and the appropriate policy  
9 and fiscal committees of the Legislature on any recommendations  
10 for consideration in future budgets, the impact of the grant program  
11 in achieving the goals described in this section, recommendations  
12 as to whether the program should receive additional appropriations,  
13 and any changes that should be considered.

14 (q) On June 30, 2020, the amounts appropriated and transferred  
15 for purposes of this section, with the exception of the funds  
16 identified in subparagraph (A) of paragraph (3) of subdivision (b),  
17 shall revert to the General Fund.

18 SEC. 7. Section 8280.1 of the Education Code is amended to  
19 read:

20 8280.1. (a) The Superintendent shall administer the Early  
21 Learning and Care Workforce Development Grants Program to  
22 expand the number of qualified early learning and care  
23 professionals and increase the educational credentials of existing  
24 early learning and care professionals across the state, pursuant to  
25 this section.

26 (b) (1) There is hereby appropriated one hundred fifty million  
27 dollars (\$150,000,000) to the department from the General Fund  
28 for the competitive workforce development grants program  
29 established pursuant to this section to be released in the 2019–20  
30 fiscal year.

31 (2) The Director of Finance may change the release of funds  
32 scheduled in paragraph (1), if deemed necessary. The director shall  
33 notify the Chairperson of the Joint Legislative Budget Committee,  
34 or the chairperson's designee, of the director's intent to notify the  
35 Controller of the necessity to change the release of funds scheduled  
36 in paragraph (1). The total amount released shall not be greater or  
37 lesser than the amount appropriated in paragraph (1). The  
38 Controller shall make the funds available to the department not  
39 sooner than five days after receipt of this notification.

(3) Notwithstanding Section 16304 of the Government Code, of the amount appropriated for this program in this subdivision, the Superintendent shall allocate the funds available for the grants through the 2023–24 fiscal year, in approximately equal amounts each fiscal year.

(c) The Superintendent shall award and administer the workforce development grants to local, regional, or local and regional quality improvement partnerships, as defined by the Superintendent, consistent with the Quality Rating and Improvement System local consortia, as defined in Section 8203.1, representing all counties of the state. A local, regional, or local and regional quality improvement partnership may form a consortia with one or more regional partners. All local, regional, or local and regional quality improvement partnerships shall submit a plan to the department that describes how they will allocate funds and increase the number, qualifications, and competencies of early learning and care professionals in their county or region. The plan shall also describe how local partnerships will engage in collaborative partnerships with their members, local governmental agencies, businesses, nonprofit organizations, or other interested partners to improve the educational attainment of early learning and care professionals in their county or region, including those working in centers, family childcare homes, and license-exempt settings that serve a majority of children who receive subsidized early learning and care services or are eligible to received subsidized early learning and care services, pursuant to this chapter.

(d) Workforce development grant award amounts shall be determined based on the following criteria:

(1) Demonstrated need for early learning and care professionals in each county or region.

(2) The cost of living in each county or region.

(3) The number of children under 13 years of age in each county or region who are in a family whose income is up to 85 percent of the state median income.

(e) Workforce development grants may be used for costs associated with the educational expenses of current and future early learning and care professionals that move those professionals along the early learning and care career lattice and support their attainment of increased education or English language proficiency, as well as professional development in early childhood instruction



1 or child development, including developing competencies in  
2 serving children with exceptional needs and dual language learners.

3 Allowable uses of funds include:

4 (1) Tuition, supplies, and other related educational expenses.

5 (2) Transportation and childcare costs incurred as a result of  
6 attending classes.

7 (3) Substitute teacher pay for early learning and care  
8 professionals that are currently working in a subsidized early  
9 learning and care setting.

10 (4) Stipends and professional development expenses, aligned  
11 to the Quality Counts California professional development system  
12 in that area, as determined by the Superintendent.

13 (5) Career, course, and professional development coaching,  
14 counseling, and navigation services.

15 (6) Other educational expenses as determined by the  
16 Superintendent.

17 (f) Local, regional, or local and regional quality improvement  
18 partnerships awarded funding pursuant to this section may partner  
19 with local or online accredited higher education institutions, local  
20 agencies that provide high-quality, credit-bearing trainings, or  
21 apprenticeship programs that integrate and embed higher education  
22 coursework with on-the-job training of professionals.

23 (g) The Superintendent may set aside no more than 1 percent  
24 of the total funding appropriated for the Early Learning and Care  
25 Workforce Development Grants Program to provide technical  
26 assistance and support for grantees and potential grantees on  
27 developing proposals for and implementing workforce development  
28 grants.

29 (h) Local, regional, or local and regional quality improvement  
30 partnerships receiving grants shall commit to providing program  
31 data to the department, as specified by the Superintendent,  
32 including, but not limited to, recipient information, educational  
33 progress, and employment status, and participate in overall program  
34 evaluation.

35 (i) The Superintendent shall provide a report to the Governor  
36 as well as the appropriate policy and fiscal committees of the  
37 Legislature by October 1, 2020, and annually thereafter through  
38 the 2023–24 fiscal year, on the expenditure of funds as well as  
39 relevant outcome data in order to evaluate the impact of the  
40 program.

1 (j) The competitive workforce development grants program  
2 established pursuant to this section shall be funded from funds  
3 appropriated in this section.

4 (k) Notwithstanding any other provision of this section, the  
5 Superintendent, with the concurrence of the executive director of  
6 the state board, shall recommend to the Department of Finance  
7 and the budget committees of the Legislature by January 1, 2021,  
8 any changes to the funding methodology in this section related to  
9 the recommendations and priorities provided pursuant to Section  
10 8207.

11 (l) On June 30, 2020, the amounts appropriated for purposes of  
12 this section shall revert to the General Fund.

13 SEC. 8. Section 14002 of the Education Code is amended to  
14 read:

15 14002. (a) (1) Notwithstanding any other law, upon  
16 certification of the Superintendent pursuant to Sections 41330,  
17 41332, and 41335, any amount necessary to meet the requirements  
18 of programs specified in subdivision (b) during each fiscal year  
19 are hereby continuously appropriated from the General Fund to  
20 Section A of the State School Fund for allocation by the Controller.

21 (2) The amounts calculated for the programs specified in  
22 subdivision (b) are considered final as of the certification of the  
23 second principal apportionment in the fifth succeeding fiscal year,  
24 inclusive, of the fiscal year for which the calculation is being made.  
25 Final submissions shall be submitted pursuant to procedures and  
26 timeframes established by the Superintendent. This paragraph does  
27 not apply to a change that is the result of an audit exception, as  
28 described in paragraph (2) of subdivision (a) of Section 41341.

29 (b) Programs included for purposes of this section are all of the  
30 following:

31 (1) Chapter 12.5 (commencing with Section 2574) of Part 2.

32 (2) Section 41544.

33 (3) Article 2 (commencing with Section 42238) of Chapter 7  
34 of Part 24 of Division 3 of Title 2.

35 (4) Section 47663.

36 (5) Article 7 (commencing with Section 48300) of Chapter 2  
37 of Part 27 of Division 4 of Title 2.

38 (6) Article 10 (commencing with Section 48350) of Chapter 2  
39 of Part 27 of Division 4 of Title 2.



(e) of Section 41202, for the fiscal year in which the warrants are drawn.

SEC. 13. Section 17375 of the Education Code is amended to read:

17375. (a) (1) The Full-Day Kindergarten Facilities Grant Program is hereby established, under the administration of the State Allocation Board pursuant to the requirements of this section, to provide one-time grants to school districts to construct new school facilities or retrofit existing school facilities for the purpose of providing full-day kindergarten classrooms pursuant to Section 8973.

(2) Moneys appropriated pursuant to this section shall be deposited in the Full-Day Kindergarten Facilities Account, hereby created in the State Treasury, administered by the State Allocation Board.

(3) For the 2018–19 fiscal year, the sum of one hundred million dollars (\$100,000,000) is hereby appropriated from the General Fund to the State Allocation Board to provide one-time grants as specified in this section.

(4) (A) Commencing with the 2019–20 fiscal year, this program is contingent upon appropriation by the Legislature.

(B) (i) Of the moneys allocated to a school district from the appropriation made pursuant to this paragraph, savings and interest achieved upon full completion of an approved project, and as a result of a school district's efficient and prudent expenditure of the moneys allocated, may be used for professional development or instructional materials to build capacity for the implementation of a full-day kindergarten program, or high priority capital outlay purposes identified by the school district and in accordance with subdivision (f), associated regulations, and any accompanying grant agreement.

(ii) Notwithstanding any other law, for purposes of the funds appropriated in support of this paragraph only, a school district may retain and use savings and interest pursuant to clause (i) even if it receives financial hardship assistance pursuant to Section 17075.10.

(iii) Savings and interest retained by a school district must be expended within one year of project completion or returned to the state as defined by associated regulations and any accompanying grant agreement.

(5) For purposes of allocations made pursuant to Section 96.1 for the 1994–95 fiscal year, the amounts allocated from the Educational Revenue Augmentation Fund pursuant to this subdivision, other than those amounts deposited in the Educational Revenue Augmentation Fund pursuant to any provision of the Health and Safety Code, shall be deemed property tax revenue allocated to the Educational Revenue Augmentation Fund in the prior fiscal year.

SEC. 86. Part 1.7 (commencing with Section 10200) is added to Division 9 of the Welfare and Institutions Code, to read:

**PART 1.7. THE EARLY CHILDHOOD DEVELOPMENT ACT  
OF 2020**

**CHAPTER 1. TRANSFER OF CHILDCARE PROGRAMS TO THE STATE  
DEPARTMENT OF SOCIAL SERVICES**

**10200.** This part shall be known, and may be cited, as the Early Childhood Development Act of 2020.

**10201.** This chapter shall become operative July 1, 2021.

**10202.** Legislature finds and declares both of the following:

(a) The state’s system of early learning and care must become more integrated and coordinated to achieve its goals of promoting a high-quality, affordable, early childhood system designed to comprehensively and effectively serve children and families.

(b) Social determinants of health, adverse childhood experiences, quality learning and care for children, and economic and other supports for the needs of families are critical determinants of life outcomes for children, and California’s system of early learning and care must address inequities and disproportionalities.

**10203.** (a) It is the intent of the Legislature to launch a phased approach to achieving the goals of the state’s Master Plan for Early Learning and Care, uniting childcare programs where they can best be integrated with other child and family focused benefits, programs, and services, and support childcare providers and programs while maintaining vital connections to preschool, transitional kindergarten, and K-12 education.

(b) To effectuate this transition, effective July 1, 2021, responsibility for the following programs, responsibilities, services, and systems are hereby transferred from the State Department of



1 Education and the Superintendent of Public Instruction to the State  
2 Department of Social Services:

3 (1) Alternative payment programs pursuant to Article 3  
4 (commencing with Section 8220) of Chapter 2 of Part 6 of Division  
5 1 of Title 1 of the Education Code.

6 (2) Migrant alternative payment programs pursuant to Article  
7 3 (commencing with Section 8220) of Chapter 2 of Part 6 of  
8 Division 1 of Title 1 of the Education Code.

9 (3) CalWORKs Stage 2 childcare pursuant to Article 15.5  
10 (commencing with Section 8350) of Chapter 2 of Part 6 of Division  
11 1 of Title 1 of the Education Code.

12 (4) CalWORKs Stage 3 childcare pursuant to Article 15.5  
13 (commencing with Section 8350) of Chapter 2 of Part 6 of Division  
14 1 of Title 1 of the Education Code.

15 (5) General childcare and development programs pursuant to  
16 Article 8 (commencing with Section 8240) of Chapter 2 of Part 6  
17 of Division 1 of Title 1 of the Education Code.

18 (6) Migrant childcare and development programs pursuant to  
19 Article 6 (commencing with Section 8230) of Chapter 2 of Part 6  
20 of Division 1 of Title 1 of the Education Code.

21 (7) Childcare and development services for children with severe  
22 disabilities pursuant to Article 9 (commencing with Section 8250)  
23 of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education  
24 Code.

25 (8) The Child and Adult Care Food Program implemented  
26 pursuant to Section 1766 of Title 42 of the United States Code.

27 (9) Childcare and development facilities capital outlay pursuant  
28 to Article 24 (commencing with Section 8493) of Chapter 2 of  
29 Part 6 of Division 1 of Title 1 of the Education Code.

30 (10) Responsibility as the lead agency for administration of the  
31 Child Care and Development Fund, as defined in Section 98.2 of  
32 Title 45 of the Code of Federal Regulations, and as set forth in  
33 Sections 8206 to 8206.6, inclusive, of the Education Code.

34 (11) Responsibility as the lead agency for the Child Care and  
35 Development Fund State Plan Early Learning and Care  
36 Infrastructure Grant Program pursuant to Section 8280 of the  
37 Education Code.

38 (12) The Early Learning and Care Workforce Development  
39 Grants Program pursuant to Section 8280.1 of the Education Code.

(13) The California Head Start State Collaboration Office funded by collaboration grants awarded pursuant to Section 9837b of Title 42 of the United States Code.

(14) The Early Head Start-Child Care Partnerships Grant from the United States Department of Health and Human Services.

(15) Resource and referral agencies pursuant to Article 2 (commencing with Section 8210) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code.

(16) Local childcare and development planning councils pursuant to Chapter 2.3 (commencing with Section 8499) of Part 6 of Division 1 of Title 1 of the Education Code.

(17) The California Child Care Initiative Project pursuant to Section 8215 of the Education Code.

(18) Other childcare quality improvement projects.

(19) Any memoranda of understanding and partnerships related to the programs, services, and systems listed in this subdivision.

(20) The Child Development Management Information System and other related data systems as they pertain to the programs, services, and systems listed in this subdivision.

10204. (a) For purposes of this part, “department” means the State Department of Social Services.

(b) Commencing July 1, 2021, whenever the laws governing the programs, responsibilities, services, or systems listed in subdivision (b) of Section 10203 refer to the “State Department of Education,” “department,” “Superintendent of Public Instruction,” or “Superintendent,” the reference shall be construed to be to the State Department of Social Services.

10205. (a) Commencing July 1, 2021, the department succeeds to, and is vested with, all the powers, functions, duties, responsibilities, obligations, liabilities, and jurisdiction of the programs, responsibilities, services, and systems listed in subdivision (b) of Section 10203.

(b) The department may enter into memoranda of understanding or interagency agreements or contracts with the California Health and Human Services Agency, its other departments and offices, the State Department of Education, and any other state agency, department, or office, as necessary to implement this part.

(c) Unless the context clearly requires otherwise, any reference to the State Department of Education or the Superintendent of Public Instruction in any regulation, contract, or in any other code,



1 with respect to any of the programs, responsibilities, services, or  
2 systems listed in subdivision (b) of Section 10203, is a reference  
3 to the State Department of Social Services.

4 (d) Without limiting any other powers or duties, the department  
5 shall ensure compliance with the terms of any state plans,  
6 memoranda of understanding, administrative orders, interagency  
7 agreements, contracts, assurances, single state agency obligations,  
8 federal statutes and regulations, and any other form of agreement  
9 or obligation that vital government activities rely upon or are a  
10 condition to the continued receipt by the department of state or  
11 federal funds or services.

12 (e) All existing regulations relating to programs, responsibilities,  
13 services, and systems listed in subdivision (b) of Section 10203  
14 that have been adopted by the State Department of Education on  
15 or before June 30, 2021, are expressly continued in force, unless  
16 they conflict with the act that added this part. Any statute, law,  
17 rule, or regulation relating to the programs, responsibilities,  
18 services, and systems listed in subdivision (b) of Section 10203  
19 that are in force on June 30, 2020, or that may hereafter be enacted  
20 or adopted with reference to this part, shall apply to the department.

21 (f) A contract, lease, license, state or federal grant, memorandum  
22 of understanding, or any other agreement relating to the programs,  
23 responsibilities, services, and systems listed in subdivision (b) of  
24 Section 10203 to which the State Department of Education is a  
25 party is not void or voidable by reason of the act that added this  
26 part, but are continued in full force and effect, with the department  
27 assuming all of the rights, obligations, and duties of the State  
28 Department of Education. The assumption by the department does  
29 not in any way affect the rights of the parties to the contract, lease,  
30 license, state or federal grant, memorandum of understanding, or  
31 agreement.

32 (g) Any legal action concerning the duties, responsibilities,  
33 obligations, liabilities, and functions described in this chapter shall  
34 not abate, and shall continue in the name of the department. The  
35 substitution of the department for the State Department of  
36 Education or the Superintendent of Public Instruction does not  
37 affect the rights of the parties to the action.

38 (h) All financial and accounting records, documents, records,  
39 and property relating to programs, responsibilities, services, and  
40 systems listed in subdivision (b) of Section 10203 shall be

1 transferred to the department by the State Department of Education.  
2 The format and timing of this transfer shall be mutually agreed  
3 upon by the State Department of Social Services and the State  
4 Department of Education and the Superintendent of Public  
5 Instruction, and shall not require formal agreement or approval by  
6 any other entity.

7 (i) On or before July 1, 2021, the Governor shall establish the  
8 position of Deputy Director of Child Development within the  
9 department, as an exempt position, to be appointed by the  
10 Governor, subject to confirmation by the Senate, and who holds  
11 office at the pleasure of the Governor.

12 (j) On or before March 31, 2021, the department shall submit  
13 to the appropriate budget and policy committees of the Legislature,  
14 the Department of Finance, and the Early Childhood Policy  
15 Council, a plan that describes how the department will achieve the  
16 intent expressed in Section 10203, including a description of  
17 activities undertaken by the department up until that date, and  
18 specifying all of the following:

19 (1) How the department intends to make childcare programs  
20 more integrated.

21 (2) How the department plans to maintain existing connections  
22 or enhance connections to California state preschool programs,  
23 transitional kindergarten, and elementary and secondary education.

24 (3) An estimate of the ongoing cost of the State Department of  
25 Social Services for administering childcare programs. A description  
26 of the number of positions that will move to the State Department  
27 of Social Services from the State Department of Education and  
28 the number of additional positions the State Department of Social  
29 Services will need.

30 (4) How this shift results in better services for children and  
31 families, including how this shift will ensure families have the  
32 most comprehensive information about their choices in  
33 comprehensive supports for their families, including childcare.

34 (5) How the department plans to prevent administrative  
35 duplication and regulatory conflict for providers that have contracts  
36 for both general childcare and development programs and  
37 California state preschool programs.

38 (6) How the department plans to maintain the existing provider  
39 flexibility to transfer funds across contracts for both general



1 childcare and development programs and California state preschool  
2 programs.

3 (7) How the department plans to ensure quality projects support  
4 state-supported childcare in all settings, including California state  
5 preschool programs.

6 (8) How the California Head Start State Collaboration Office  
7 will continue to engage with California state preschool program  
8 providers and school districts.

9 (9) How parents will be provided enhanced information about  
10 making an informed childcare choice that best meets their child's  
11 and family's needs, from the full spectrum of quality childcare  
12 available.

13 (10) How a cradle-to-career, interagency data system will  
14 provide improved state-level reporting, support the goals of the  
15 Master Plan for Early Learning and Care, and support the  
16 achievement of paragraph (9).

17 (11) Further plans to align activities with recommendations  
18 from the Master Plan for Early Learning and Care regarding  
19 childcare.

20 (k) From October 1, 2020, to December 31, 2024, inclusive, the  
21 department shall submit to the appropriate budget and policy  
22 committees of the Legislature, the Department of Finance, and the  
23 Early Childhood Policy Council a quarterly report that describes  
24 how the department is making progress on the transition required  
25 by this chapter, and how the department is furthering the intent of  
26 this transition.

27 10206. (a) Notwithstanding the rulemaking provisions of the  
28 Administrative Procedure Act (Chapter 3.5 (commencing with  
29 Section 11340) of Part 1 of Division 3 of Title 2 of the Government  
30 Code), the State Department of Social Services and the State  
31 Department of Education may implement, interpret, or make  
32 specific this part by means of all-county letters, bulletins, or similar  
33 written instructions from either department until regulations are  
34 adopted. These all-county letters or similar written instructions  
35 shall have the same force and effect as regulations.

36 (b) Initial regulations developed pursuant to the Administrative  
37 Procedure Act (Chapter 3.5 (commencing with Section 11340) of  
38 Part 1 of Division 3 of Title 2 of the Government Code) that are  
39 necessary to implement the act that added this part shall be adopted  
40 by each department no later than December 31, 2023.

eliminated, as appropriate, for any LEA that reduces or eliminates services provided under this program in the 2018–19 fiscal year, as compared to the level of services provided in the 2017–18 fiscal year. Any funds remaining as a result of those decreased levels of service shall be allocated to provide support for new programs in accordance with Section 41841.8 of the Education Code.

- (d) Funding appropriated in this item for growth in average daily attendance (ADA) first shall be allocated to programs that are funded for 20 units or less of ADA, up to a maximum of 20 additional units of ADA per program.

SEC. 89. Item 6100-194-0001 of Section 2.00 of the Budget Act of 2019, as amended by Section 67 of Chapter 363 of the Statutes of 2019, is amended to read:

6100-194-0001—For local assistance, State Department of	
Education, for allocation by the Superintendent of Public	
Instruction to school districts, county offices of education,	
and other agencies for childcare and development	
programs included in this item, in lieu of the amount that	
otherwise would be appropriated pursuant to any other	
statute.....	1,807,475,000
Schedule:	
(1) 5210026-General Child Development.....	387,658,000
(2) 5210027-State Preschool Non-Local	
Educational Agencies.....	486,172,000
(3) 5210028-Migrant Day Care.....	39,446,000
(4) 5210030-Alternative Payment.....	170,131,000
(5) 5210032-Resource and Referral.....	20,333,000
(6) 5210034-CalWORKs Stage 2.....	533,937,000
(7) 5210036-CalWORKs Stage 3.....	160,236,000
(8) 5210038-Accounts Payable.....	4,000,000
(9) 5210040-Child Care for Children with	
Severe Disabilities.....	2,084,000



1	(10) 5210042-California Child Care Initia-	
2	tive.....	225,000
3	(11) 5210044-Quality Improvement.....	2,961,000
4	(12) 5210046-Local Planning Councils.....	292,000

## Provisions:

1. Funds in Schedules (5), (10), (11), and (12) shall be allocated to meet federal requirements to improve the quality of childcare and shall be used in accordance with the approved California state plan for the federal Child Care and Development Fund that is developed pursuant to the requirements under Section 8206.1 of the Education Code.
2. Nonfederal funds appropriated in this item which have been budgeted to meet the state's Temporary Assistance for Needy Families maintenance-of-effort requirement established pursuant to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) shall not be expended in any way that would cause their disqualification as a federally allowable maintenance-of-effort expenditure.
3. Notwithstanding any other provision of law, funds in Schedule (8) are available for accounts payable for alternative payment programs for actual and allowable costs incurred for additional services, pursuant to Section 8222.1 of the Education Code. The State Department of Education shall give priority for the allocation of these funds for accounts payable.
4. The amounts provided in Schedules (1), (2), (3), (4), and (9) of this item reflect an adjustment to the base funding of -0.68 percent for a decrease in the population of 0-4 year-olds.
5. (a) The maximum standard reimbursement rate shall not exceed \$49.54 per day for general childcare programs. Furthermore, the migrant childcare program shall adhere to the maximum standard reimbursement rates as prescribed for the general childcare programs. All other rates and adjustment factors shall conform.
- (b) Notwithstanding any other law, the maximum standard reimbursement rate shall not exceed

\$30.87 per day for part-day California state preschool programs. The maximum standard reimbursement rate shall not exceed \$49.85 for full-day California state preschool programs.

6. (a) Alternative payment childcare programs shall be subject to the rate ceilings established in the Regional Market Rate Survey of California childcare and development providers for provider payments.

When approved pursuant to Section 8447 of the Education Code, any changes to the market rate limits, adjustment factors, or regions shall be utilized by the State Department of Education, the California Community Colleges, and the State Department of Social Services in various programs under the jurisdiction of these departments.

- (b) Notwithstanding any other provision of law, the funds appropriated in this item for the cost of licensed childcare services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse childcare costs up to the greater of either:

(1) The 75th percentile of rates based on the 2016 Regional Market Rate Survey.

(2) The regional market rate ceiling for that region as it existed on December 31, 2017.

- (c) The funds appropriated in this item for the cost of license-exempt childcare services provided through alternative payment or voucher programs, including those provided under Article 3 (commencing with Section 8220) and Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be used only to reimburse license-exempt childcare costs up to 70 percent of the regional reimbursement rate limits established for family childcare homes.



- (d) The State Department of Education shall distribute funds for increases to the Regional Market Rate based on estimates of how contractors' reimbursements will increase due to the rate change.
7. (a) The State Department of Education (SDE) shall conduct monthly analyses of CalWORKs Stage 2 and Stage 3 caseloads and expenditures and adjust agency contract maximum reimbursement amounts and allocations as necessary to ensure funds are distributed proportionally to need. SDE shall share monthly caseload analyses with the State Department of Social Services (DSS).
- (b) SDE shall provide quarterly information regarding the sufficiency of funding for Stage 2 and Stage 3 to DSS. SDE shall provide caseloads, expenditures, allocations, unit costs, family fees, and other key variables and assumptions used in determining the sufficiency of state allocations. Detailed backup by month and on a county-by-county basis shall be provided to DSS at least on a quarterly basis for comparisons with Stage 1 trends.
- (c) By September 30 and March 30 of each year, SDE shall ensure that detailed caseload and expenditure data, through the most recent period for Stage 2 and Stage 3 along with all relevant assumptions, is provided to DSS to facilitate budget development. The detailed data provided shall include actual and projected monthly caseload from Stage 2 scheduled to time off of their transitional child-care benefit from the last actual month reported by agencies through the next two fiscal years as well as local attrition experience. DSS shall utilize data provided by SDE, including key variables from the prior fiscal year and the first two months of the current fiscal year, to provide coordinated estimates in November of each year for each of the three stages of care for preparation of the Governor's Budget, and shall utilize data from at least the first two quarters of the current fiscal

year, and any additional monthly data as they become available for preparation of the May Revision. DSS shall share its assumptions and methodology with SDE in the preparation of the Governor's Budget.

(d) SDE shall coordinate with DSS to identify annual general subsidized childcare program expenditures for Temporary Assistance for Needy Families-eligible children. SDE shall modify existing reporting forms as necessary to capture this data.

(e) SDE shall provide to DSS, upon request, access to the information and data elements necessary to comply with federal reporting requirements and any other information deemed necessary to improve estimation of childcare budgeting needs.

(f) (1) On or before January 30 of each year, following consultation with DSS, SDE shall determine the adequacy of funding appropriated by the Legislature for CalWORKs Stage 2 and Stage 3.

(2) If SDE determines that the Stage 2 appropriation exceeds the current year caseload needs and the Stage 3 appropriation is not sufficient to fully fund its caseload need, then SDE shall submit a request to the Department of Finance to transfer the excess funds from Schedule (6), CalWORKs Stage 2 childcare to Schedule (7), CalWORKs Stage 3 childcare. Notwithstanding Section 26.00 or any other provision of law, the Department of Finance may, at its discretion, approve such a transfer.

(3) If SDE determines that the Stage 3 appropriation exceeds the current year caseload needs and the Stage 2 appropriation is not sufficient to fully fund its caseload need, SDE shall submit a request to the Department of Finance to transfer the excess funds from Schedule (7), CalWORKs Stage 3 childcare to Schedule (6), CalWORKs Stage 2 child-



care. Notwithstanding Section 26.00 or any other provision of law, the Department of Finance may, at its discretion, approve such a transfer.

(g) Notwithstanding any other provision of law or any other sections of this act, the Department of Finance may augment the appropriation for CalWORKs Stage 3 if the estimate of expenditures, as determined by SDE, following consultation with DSS, will exceed the expenditures authorized in Schedule (7). The Department of Finance shall report any augmentation pursuant to this paragraph to the Joint Legislative Budget Committee. At the time the report is made, the amount of the appropriation made in Schedule (7) shall be increased by the amount of the augmentation.

(h) The Director of Finance may, pursuant to subdivisions (f) and (g), authorize the augmentation of the amount available for expenditure in Schedule (7) by making a transfer from Schedule (6). An augmentation may be authorized not sooner than 30 days after notification in writing of the necessity to exceed the limitations is provided to the Joint Legislative Budget Committee, or whatever lesser time the chairperson of the joint committee may determine. Any request made by SDE to augment the CalWORKs Stage 3 appropriation shall be approved only in order to cover increases in costs that are consistent with assumptions of this act. This provision shall not be construed to treat Stage 3 as an entitlement.

8. Notwithstanding any other provision of law, the funds in Schedule (7) are reserved exclusively for continuing childcare for the following: (a) former CalWORKs families who are working, have left cash aid, and have exhausted their two-year eligibility for transitional services in either Stage 1 or Stage 2 pursuant to subdivision (c) of Section 8351 or Section 8353 of the Education Code, respectively, but still meet eligibility requirements for receipt of subsidized childcare services,

and (b) families who received lump-sum diversion payments or diversion services under Section 11266.5 of the Welfare and Institutions Code and have spent two years in Stage 2 off of cash aid, but still meet eligibility requirements for receipt of subsidized childcare services.

9. Notwithstanding any other provision of law, each local planning council receiving funds appropriated in Schedule (12) shall meet the requirements of Section 8499.5 of the Education Code to the extent feasible and to the extent data is readily accessible.

10. Notwithstanding any other provision of law, the implementation of Provision 12 is not subject to the appeal and resolution procedures for agencies that contract with the State Department of Education for the provision of childcare services or the due process requirements afforded to families that are denied services specified in Chapter 19 (commencing with Section 18000) of Division 1 of Title 5 of the California Code of Regulations.

11. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Education may implement Provision 12 through management bulletins or similar instructions.

12. Notwithstanding any other provision of law, families shall be disenrolled from subsidized childcare services consistent with the priorities for services specified in subdivision (b) of Section 8263 of the Education Code. Families shall be disenrolled in the following order: (a) families with the highest income below 85 percent of the State Median Income (SMI) adjusted for family size, (b) of families with the same income level, those that have been receiving childcare services for the longest period of time, (c) of families with the same income level, those that have a child with exceptional needs, and (d) families with children who are receiving child protective services or are at risk of being neglected or abused, regardless of family income.



15. Funds in Schedule (2) shall be allocated to both the part-day and full-day California State Preschool Program for non-local educational agencies.
16. Of the amount appropriated in Schedule (1), \$50,000,000 is available beginning July 1, 2019, to provide 3,086 slots for General Child Care.
17. Of the amount appropriated in Schedule (11), \$1,500,000 is available on a one-time basis for the City of Los Angeles to build a child development center in Reseda, California.
18. For the 2019–20 fiscal year, if the State Department of Education determines that appropriations for General Child Development in Schedule (1) are not sufficient to fully fund the contracts executed, then the department may transfer the necessary funds from the non-LEA preschool program in Schedule (2) to Schedule (1), upon written notification to the Department of Finance.

SEC. 90. Item 6100-196-0001 of Section 2.00 of the Budget Act of 2019 is amended to read:

6100-196-0001—For local assistance, State Department of Education (Proposition 98), for allocation by the Superintendent of Public Instruction to school districts, county offices of education, and other agencies for the purposes of part-day California state preschool programs pursuant to Article 7 (commencing with Section 8235) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code funded in this item, in lieu of the amount that otherwise would be appropriated pursuant to any other statute..... 853,078,000

Schedule:

- (1) 5210020-State Preschool—Local Educational Agencies..... 803,078,000
- (2) 5210010-Child Development, Quality Rating Improvement System Grants..... 50,000,000

Provisions:

1. Nonfederal funds appropriated in this item that have been budgeted to meet the state's Temporary Assis-

1 tance for Needy Families maintenance-of-effort require-  
2 ment established pursuant to the federal Personal Re-  
3 sponsibility and Work Opportunity Reconciliation Act  
4 of 1996 (P.L. 104-193) shall not be expended in any  
5 way that would cause their disqualification as a feder-  
6 ally allowable maintenance-of-effort expenditure.

7 2. The amount provided in Schedule (1) reflects an ad-  
8 justment to the base funding of -0.68 percent for a  
9 decrease in the population of 0-4 year-olds.

10 3. Notwithstanding any other law, the maximum standard  
11 reimbursement rate shall not exceed \$30.87 per day  
12 for part-day California state preschool programs. The  
13 maximum standard reimbursement rate shall not ex-  
14 ceed \$49.85 for full-day California state preschool  
15 programs.

16 4. Of the amount appropriated in Schedule (1), up to  
17 \$5,000,000 is available for the family literacy supple-  
18 mental grant provided to California state preschool  
19 programs pursuant to Section 8238.4 of the Education  
20 Code.

21 5. The amount appropriated in Schedule (2) is available  
22 for Quality Rating and Improvement System grants  
23 provided to California state preschool programs pur-  
24 suant to Section 8203.1 of the Education Code.

25 6. Funds in Schedule (1) shall be allocated to both the  
26 part-day and full-day California State Preschool Pro-  
27 gram for local educational agencies.

28  
29 SEC. 91. Section 1 of Chapter 3 of the Statutes of 2020 is  
30 amended to read:

31 SECTION 1. (a) For all local educational agencies that comply  
32 with Executive Order No. N-26-20 or that are not subject to a  
33 closure due to the coronavirus (COVID-19), and for purposes of  
34 average daily attendance claimed for apportionment purposes  
35 pursuant to Section 41601 of the Education Code, for the 2019-20  
36 school year average daily attendance reported to the State  
37 Department of Education for the second period and the annual  
38 period for local educational agencies shall only include all full  
39 school months from July 1, 2019, to February 29, 2020, inclusive.



received from the Coronavirus Relief Fund to the Superintendent. Funds that are not expended by December 30, 2020, shall be reported to the Superintendent within 30 days, and the Superintendent shall initiate collection proceedings.

(2) As a condition of receipt of the funds pursuant to this section, an eligible local educational agency shall report, on or before August 31, 2021, the balance of any unexpended funds received from the Federal Trust Fund to the Superintendent. Funds that are not expended by September 30, 2021, shall be reported to the Superintendent within 30 days, and the Superintendent shall initiate collection proceedings.

(i) (1) For purposes of subdivisions (a) and (b), “eligible local educational agency” means a school district, county office of education, or a classroom-based direct-funded charter school as determined pursuant to Sections 47612.5 and 47634.2 of the Education Code as of the 2019–20 second principal apportionment certification.

(2) For purposes of subdivision (c), “eligible local educational agency” means a school district, county office of education, or a charter school.

(j) (1) For purposes of the calculations pursuant to subdivisions (a) and (b), data for a classroom-based locally funded charter school shall be included in the determination of the chartering authority’s funding.

(2) For purposes of the calculations pursuant to subdivision (c), data for a locally funded charter school shall be included in the determination of the chartering authority’s funding.

SEC. 111. (a) The Legislature finds and declares all of the following:

(1) The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Child Care and Development Block Grant supplemental payment awarded three hundred fifty million three hundred fourteen thousand dollars (\$350,314,000) to California to address the impact of the COVID-19 pandemic on childcare providers and the families they serve. These funds were awarded to prevent, prepare for, and respond to the COVID-19 pandemic emergency, to provide assistance to childcare providers in the case of decreased enrollment or closures, and to provide childcare assistance to essential workers during the response to the COVID-19 pandemic.

(2) In response to the COVID-19 pandemic, the state appropriated the sum of one hundred fifty-two million three hundred fourteen thousand dollars (\$152,314,000) from the General Fund to childcare providers for COVID-19 pandemic-related assistance between March 4, 2020, and August 28, 2020, inclusive, as follows:

(A) Fifty million dollars (\$50,000,000) was allocated to non-local educational agency childcare providers, which remained open or intend to reopen during the COVID-19 pandemic emergency, for health, safety, and cleaning supplies related to federal, state, and local COVID-19 pandemic emergency public health and safety guidance, pursuant to Senate Bill 89 (Chapter 2 of the Statutes of 2020).

(B) Fifty million dollars (\$50,000,000) was allocated to existing state-subsidized childcare providers to support additional access to early learning and care for essential workers, at-risk children, and children with disabilities or special health care needs whose individualized education programs or individualized family service plans include early learning and care services, pursuant to Senate Bill 89 (Chapter 2 of the Statutes of 2020), for a minimum of 60 days of care for each eligible worker and at-risk child.

(C) Forty-one million three hundred fourteen thousand dollars (\$41,314,000) was allocated for the estimated cost of provider closures, waived family fees, and other assistance, consistent with Executive Order No. N-66-20.

(D) Three million three hundred thousand dollars (\$3,300,000) was allocated to CalWORKs Stage 1 childcare for the estimated cost of waived family fees, consistent with Executive Order No. N-66-20.

(E) Six million dollars (\$6,000,000) was allocated for the estimated costs of extending the family fee waivers through June 30, 2020, consistent with Executive Order No. N-66-20.

(F) Two million dollars (\$2,000,000) was allocated to CalWORKs Stage 1 childcare for the estimated costs of extending the family fee waivers through June 30, 2020, consistent with Executive Order No. N-66-20.

(b) It is therefore the intent of the Legislature, consistent with the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act Child Care and Development Block Grant supplemental payment requirements, which allow states to restore



1 amounts either directly or through reimbursement for obligations  
2 incurred to prevent, prepare for, and respond to the COVID-19  
3 pandemic before enactment of the CARES Act, to allocate one  
4 hundred fifty-two million three hundred fourteen thousand dollars  
5 (\$152,314,000) of the CARES Act Child Care and Development  
6 Block Grant supplemental payment to fund reimbursement of the  
7 General Fund for the costs described in paragraph (2) of  
8 subdivision (a).

9 (c) On July 1, 2020, the Controller shall transfer the sum of one  
10 hundred fifty-two million three hundred fourteen thousand dollars  
11 (\$152,314,000) from the Federal Trust Fund, consistent with the  
12 federal Coronavirus Aid, Relief, and Economic Security (CARES)  
13 Act Child Care and Development Block Grant supplemental  
14 payment requirements, to the General Fund to offset the state costs  
15 incurred in the 2019–20 fiscal year described in subdivision (b).

16 (d) For the 2020–21 fiscal year, the sum of one hundred  
17 ninety-eight million dollars (\$198,000,000) is hereby appropriated  
18 from the Federal Trust Fund, consistent with the federal  
19 Coronavirus Aid, Relief, and Economic Security (CARES) Act  
20 Child Care and Development Block Grant supplemental payment  
21 requirements, to the Superintendent of Public Instruction for  
22 COVID-19 pandemic-related relief and assistance for childcare  
23 providers, the families those childcare providers serve, and essential  
24 workers, as follows:

25 (1) Of the funds appropriated pursuant to this subdivision, one  
26 hundred twenty-five million dollars (\$125,000,000) shall be  
27 allocated to state-subsidized childcare providers, including centers,  
28 family childcare homes, and license-exempt providers, serving  
29 children through an alternative payment program pursuant to  
30 Article 3 (commencing with Section 8220) of Chapter 2 of Part 6  
31 of Division 1 of Title 1 of the Education Code and migrant  
32 childcare and development programs pursuant to Article 6  
33 (commencing with Section 8230) of Chapter 2 of Part 6 of Division  
34 1 of Title 1 of the Education Code, or through a CalWORKs Stage  
35 1, Stage 2, or Stage 3 program that remained open or intends to  
36 reopen during the COVID-19 pandemic emergency, for financial  
37 assistance to address any hardships incurred as a result of various  
38 economic factors, such as decreased enrollment, increased  
39 teacher-to-child ratios, and other increased costs, to ensure that  
40 childcare providers maintain high-quality care, access, and safety

1 for workers and families in their childcare programs. These funds  
2 shall be allocated as follows:

3 (A) (i) Of the funds allocated for purposes of this paragraph,  
4 sixty-two million five hundred thousand dollars (\$62,500,000)  
5 shall be allocated to support alternative payment programs,  
6 including migrant alternative payment programs, to reimburse  
7 providers described in paragraph (1) through June 30, 2021, or  
8 until this funding is exhausted, whichever is sooner.  
9 Notwithstanding subdivision (d) of Section 8221.5 of the Education  
10 Code, reimbursement for childcare providers, including  
11 license-exempt providers, shall be based on families' certified  
12 need, regardless of attendance.

13 (ii) For families certified for a variable schedule, providers shall  
14 be reimbursed based on the maximum authorized hours of care.

15 (iii) For license-exempt providers that provide part-time services,  
16 providers shall be reimbursed based on the maximum authorized  
17 hours of care.

18 (B) Of the funds allocated for purposes of this paragraph, up to  
19 sixty-two million five hundred thousand dollars (\$62,500,000)  
20 shall be allocated to support alternative payment programs,  
21 including migrant alternative payment programs, to reimburse  
22 providers described in paragraph (1) with a one-time stipend as  
23 follows:

24 (i) The State Department of Education, in consultation with the  
25 State Department of Social Services, shall determine a flat-rate  
26 stipend amount for all childcare providers based on the number of  
27 subsidized children enrolled and the average cost of care.

28 (ii) The Superintendent of Public Instruction shall allocate  
29 stipends to alternative payment programs for distribution to  
30 childcare providers according to a schedule to be provided by the  
31 Superintendent of Public Instruction and approved by the  
32 Department of Finance. The State Department of Education may  
33 designate another agency to distribute these funds to childcare  
34 providers if the alternative payment program in the area is  
35 determined by the State Department of Education to be unable to  
36 allocate the funds.

37 (iii) The administration fee charged by an alternative payment  
38 program distributing the stipends to childcare providers shall not  
39 exceed 5 percent.



1 (C) Once the funding from the allocations in subparagraphs (A)  
2 and (B) necessary for CalWORKs Stage 1 providers, pursuant to  
3 Section 8351 of the Education Code, has been identified, a budget  
4 revision shall be submitted by the State Department of Education  
5 to the Controller to move the appropriate funding amounts  
6 identified for CalWORKs Stage 1 providers to the State  
7 Department of Social Services for allocation.

8 (2) Of the funds appropriated pursuant to this subdivision,  
9 seventy-three million dollars (\$73,000,000) shall be allocated by  
10 the State Department of Education to existing state-subsidized  
11 alternative payment programs, including, but not limited to,  
12 alternative payment programs for migrant childcare and  
13 development programs pursuant to Article 6 (commencing with  
14 Section 8230) of Chapter 2 of Part 6 of Division 1 of Title 1 of the  
15 Education Code, to extend childcare services for essential workers,  
16 at-risk children, and children with disabilities or special health  
17 care needs whose individualized education programs or  
18 individualized family service plans include early learning and care  
19 services who accessed childcare services pursuant to Senate Bill  
20 89 (Chapter 2 of the Statutes of 2020) and who were not able to  
21 get ongoing childcare services through the additional funds  
22 provided in Schedule (3) and described in Provision (7) of Item  
23 6100-194-0890 of Section 2.00 of the Budget Act of 2020.

24 (A) The funds allocated pursuant to this paragraph shall be used  
25 to provide childcare services for 90 days in addition to the days  
26 specified in Executive Order No. N-66-20.

27 (B) Notwithstanding any other law, if essential workers, at-risk  
28 children, and children with disabilities or special health care needs  
29 whose individualized education programs or individualized family  
30 service plans include early learning and care services who accessed  
31 childcare services pursuant to Senate Bill 89 (Chapter 2 of the  
32 Statutes of 2020) were disenrolled, they may be reenrolled pursuant  
33 to this paragraph before July 15, 2020, without needing to provide  
34 eligibility documentation.

35 (C) An alternative payment program shall, to the extent possible,  
36 work directly with a family that receives childcare services funded  
37 pursuant to this paragraph and the local resource and referral  
38 agency to assist the family in accessing ongoing subsidized or  
39 nonsubsidized childcare services that meets the family's needs.



1 (D) If an alternative payment program projects that it will have  
2 unspent funds after childcare services are provided pursuant to  
3 subparagraph (A), the alternative payment program may extend  
4 childcare services beyond 90 days for the enrolled families, until  
5 funds are exhausted.

6 (E) Of the funds appropriated pursuant to Senate Bill 89  
7 (Chapter 2 of the Statutes of 2020) to extend childcare services  
8 for essential workers, at-risk children, and children with disabilities  
9 or special health care needs whose individualized education  
10 programs or individualized family service plans include early  
11 learning and care services, any funds not encumbered before July  
12 1, 2020, shall be used for purposes of this section.

13 (e) Notwithstanding Section 26.00 of the Budget Act of 2020,  
14 the State Department of Education may transfer program  
15 expenditure authority provided in paragraph (1) of subdivision (d)  
16 between schedules to accurately reflect expenditures in the program  
17 schedules, upon the approval of the Department of Finance. The  
18 Department of Finance may, at its discretion, approve such a  
19 transfer of program expenditure authority to the extent total  
20 allocations do not exceed the total amount appropriated pursuant  
21 to paragraph (1) of subdivision (d). Upon approval from the  
22 Department of Finance, the Superintendent of Public Instruction  
23 shall notify the chairs of the relevant policy committees and budget  
24 subcommittees of the Legislature of its intent to transfer program  
25 expenditure authority between programs.

26 (f) Notwithstanding the priorities for services pursuant to Section  
27 8263 of the Education Code, all children who meet the need and  
28 eligibility requirements of Sections 8263 and 8263.1 of the  
29 Education Code enrolled in childcare pursuant to Executive Order  
30 No. N-45-20, N-47-20, or N-66-20 shall be first priority for  
31 enrollment in alternative payment programs with available capacity,  
32 subject to guidance from the Superintendent of Public Instruction.

33 (g) For purposes of this section, “essential worker” has the same  
34 meaning as “essential critical infrastructure worker” pursuant to  
35 Executive Order No. N-45-20.

36 SEC. 112. (a) It is the intent of the Legislature to prepare for  
37 the effective use of childcare funds available from the federal  
38 government during the COVID-19 pandemic and recovery period  
39 in order to support the essential workforce through necessary,  
40 high-quality childcare, support healthy child development during



1 this historic time, and ensure the stability of California's childcare  
2 system.

3 (b) Contingent on the receipt of federal funds that may be used  
4 for these purposes during the 2020–21 fiscal year, the State  
5 Department of Education shall prioritize funding in the following  
6 order, over the total duration of time allowable for expenditure  
7 under federal law, or, if shorter, until an applicable date specified  
8 below:

9 (1) Up to one hundred million dollars (\$100,000,000) for  
10 alternative payment programs to extend childcare services for  
11 families eligible for services under Chapter 2 (commencing with  
12 Section 8200) of Part 6 of Division 1 of Title 1 of the Education  
13 Code, with first priority to extend childcare services through June  
14 30, 2021, for essential workers, at-risk children, and children with  
15 disabilities or special health care needs whose individualized  
16 education programs or individualized family service plans include  
17 early learning and care services who accessed care pursuant to  
18 Senate Bill 89 (Chapter 2 of the Statutes of 2020), second priority  
19 for children who are (A) identified as children at risk of abuse,  
20 neglect, or exploitation in a written referral from a legal, medical,  
21 or social service agency, or emergency shelter, or (B) identified  
22 by a legal, medical, or social services agency, a local educational  
23 agency liaison for homeless children and youths designated  
24 pursuant to Section 11432(g)(1)(J)(ii) of Title 42 of the United  
25 States Code, a Head Start program, or an emergency or transitional  
26 shelter as (i) a recipient of protective services, (ii) being neglected,  
27 abused, or exploited, or at risk of neglect, abuse, or exploitation,  
28 or (iii) being homeless, and third priority for other essential workers  
29 otherwise eligible for childcare services pursuant to Section 8263  
30 of the Education Code through June 30, 2021, to the extent required  
31 or permitted under federal law.

32 (2) Up to fifty million dollars (\$50,000,000) to contractors for  
33 California state preschool programs pursuant to Article 7  
34 (commencing with Section 8235) of Chapter 2 of Part 6 of Division  
35 1 of Title 1 of the Education Code and contractors for general  
36 childcare and development programs pursuant to Article 8  
37 (commencing with Section 8240) of Chapter 2 of Part 6 of Division  
38 1 of Title 1 of the Education Code to increase capacity for up to  
39 two years. Priority for funding pursuant to this paragraph shall be  
40 as follows:



1 (A) First priority shall go to existing general childcare and  
2 development program contractors to expand new childcare services  
3 for children from 0 to 3 years of age, inclusive.

4 (B) Second priority shall go to existing California state preschool  
5 program contractors to expand new capacity for full-day programs,  
6 pursuant to Section 8239 of the Education Code.

7 (C) Third priority shall go to new or existing contractors for  
8 general childcare and development programs or California state  
9 preschool programs.

10 (3) (A) Up to twenty-five million dollars (\$25,000,000) in  
11 stipends to assist licensed childcare providers with costs to reopen  
12 childcare facilities closed due to the COVID-19 pandemic, and to  
13 supplement unfunded costs caused by low attendance or temporary  
14 closures due to the COVID-19 pandemic. First priority for these  
15 stipends shall be given to providers whose total child enrollment  
16 is at least 50-percent state-subsidized.

17 (B) Stipends shall go to licensed family childcare home  
18 providers and licensed center-based childcare programs that closed  
19 on or after March 15, 2020, and remain closed through July 1,  
20 2020, and that served at least three children enrolled in childcare  
21 services under CalWORKs or through an alternative payment  
22 program between January 1, 2019, and March 1, 2020.

23 (C) Alternative payment programs shall provide up to five  
24 thousand dollars (\$5,000) per licensed family childcare home  
25 contractor and up to fifteen thousand dollars (\$15,000) per licensed  
26 center-based childcare agency to address debts incurred during the  
27 childcare and development facility's closure after the 30 days of  
28 funding provided under Senate Bill 89 (Chapter 2 of the Statutes  
29 of 2020). Allowable costs shall be determined by the department,  
30 consistent with federal law and reimbursable costs guidance, to  
31 address debts incurred between March 15, 2020, and July 1, 2020,  
32 that may be preventing a licensed family childcare home or licensed  
33 center-based childcare agency from reopening.

34 (D) For each stipend provided pursuant to this paragraph, the  
35 alternative payment program shall disburse one-half of the awarded  
36 funds up front. A stipend recipient shall remain open and willing  
37 to serve families eligible for childcare services under CalWORKs  
38 or through an alternative payment program for at least three months  
39 after reopening. At the end of the three-month period, the remainder  
40 of stipend shall be disbursed.



1 (E) A stipend provided pursuant to this paragraph may cover  
2 up to 100 percent of operating costs during the childcare and  
3 development facility's closure period, up to the applicable amount  
4 stated in subparagraph (C), on the condition that the childcare  
5 program meets all federal requirements, including, but not limited  
6 to, staff compensation. A licensed family childcare home provider  
7 or licensed center-based childcare program shall not have received  
8 family fees or state or federal reimbursement for services during  
9 the childcare and development facility's closure period. To the  
10 extent funds received under Senate Bill 89 (Chapter 2 of the  
11 Statutes of 2020) were received by a provider during a closure  
12 period, the alternative payment program shall subtract the amount  
13 of funds received under Senate Bill 89 (Chapter 2 of the Statutes  
14 of 2020) from the facility's closure period operating costs, for  
15 purposes of calculating the stipend amount.

16 (4) (A) Up to one hundred twenty-five million dollars  
17 (\$125,000,000) to the department for subsidized childcare provider  
18 stipends to assist all subsidized childcare providers operating  
19 programs pursuant to Article 3 (commencing with Section 8220)  
20 of, Article 6 (commencing with Section 8230) of, Article 7  
21 (commencing with Section 8235) of, Article 8 (commencing with  
22 Section 8240) of, Article 8.5 (commencing with Section 8245) of,  
23 Article 9 (commencing with Section 8250) of, or Article 15.5  
24 (commencing with Section 8350) of, Chapter 2 of Part 6 of  
25 Division 1 of Title 1 of the Education Code with increased  
26 cost-of-care expenses during the COVID-19 pandemic period.

27 (B) The Superintendent of Public Instruction shall, on or before  
28 September 1, 2020, develop a methodology for augmenting each  
29 individual contractor operating programs identified in subparagraph  
30 (A) with a stipend, in accordance with both of the following:

31 (i) For the direct-contract subsidized childcare programs  
32 pursuant to Article 6 (commencing with Section 8230) of, Article  
33 7 (commencing with Section 8235) of, Article 8 (commencing  
34 with Section 8240) of, Article 8.5 (commencing with Section 8245)  
35 of, and Article 9 (commencing with Section 8250) of, Chapter 2  
36 of Part 6 of Division 1 of Title 1 of the Education Code, the  
37 proposed stipend methodology shall be based on the number of  
38 children served and the proportion to the provider's reimbursement  
39 from the state and the applicable regional market rate.



(ii) For voucher-based subsidized childcare programs pursuant to Article 3 (commencing with Section 8220), Article 6 (commencing with Section 8230), and Article 15.5 (commencing with Section 8350) of, Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, the proposed methodology shall be based on the number of children served and the regional average cost of care. The methodology developed pursuant to this clause shall be developed in consultation and collaboration with the State Department of Social Services.

(C) The Superintendent of Public Instruction shall present the methodology developed pursuant to subparagraph (B) and the proposed schedule of augmentations to the Department of Finance and the Joint Legislative Budget Committee for review and approval before any augmentations are made.

(D) Once the Department of Finance and the Joint Legislative Budget Committee have approved the methodology and the proposed schedule of augmentations, a budget revision shall be submitted by the State Department of Education to the Controller to move the appropriate funding amounts for augmentation to CalWORKs Stage 1, pursuant to Section 8351 of the Education Code, to the State Department of Social Services.

(c) Notwithstanding Section 26.00 of the Budget Act of 2020, the State Department of Education may transfer program expenditure authority provided in paragraph (4) of subdivision (b) between schedules to accurately reflect expenditures in the program schedules, upon the approval of the Department of Finance. The Department of Finance may, at its discretion, approve such a transfer of program expenditure authority to the extent total allocations do not exceed the total amount specified in paragraph (4) of subdivision (b). Upon approval from the Department of Finance, the Superintendent of Public Instruction shall notify the chairs of the relevant policy committees and budget subcommittees of the Legislature of its intent to transfer program expenditure authority between programs.

(d) For purposes of this section, “essential worker” has the same meaning as “essential critical infrastructure worker” pursuant to Executive Order No. N-45-20.

SEC. 113. (a) The sum of fifty million dollars (\$50,000,000) is hereby appropriated from the General Fund in the 2020–21 fiscal year to the State Department of Education on a one-time basis to