

5 CCR § 18074.2

§ 18074.2. Application of Regional Market Rate Ceilings.

Contractors shall use the age of the child, the certified need for child care, and the facility type to identify the applicable regional market rate ceiling.

(a) The applicable facility type shall be determined as follows:

(1) Child care center rate ceilings shall be used for those providers who:

- (A) Operate licensed centers; or
- (B) Are public or private schools operating extended day programs; or
- (C) Operate centers on tribal or federal lands; or
- (D) Operate recreation programs exempt from licensure pursuant to Health and Safety Code Section 1596.792 and that meet the requirements for participation in the alternative payment program, including:

- 1. Using sign-in/sign-out documents to record attendance pursuant to Section 18065;
- 2. Providing adult supervision for all children during all hours of operation; and
- 3. Ensuring that all employees who have contact with children have completed criminal history background examinations comparable to the criminal history background examinations required by Chapter 3.35 of Division 2 of the Health and Safety Code, commencing with Section 1596.60.

(2) Family child care home rate ceilings shall be used for those providers who:

- (A) Operate licensed family child care homes; or
 - (B) Operate a child care business in a home setting on tribal or federal land.
- (3) In-home/exempt rate ceilings shall be used for all other providers. If no ceiling is provided for the applicable reimbursement rate category pursuant to Section 18075, the contractor shall determine a ceiling by multiplying the regional market rate hourly ceiling by the hours of certified need.

(b) For children enrolled in kindergarten who are less than six years of age, the applicable age category shall be determined as follows:

(1) Providers identified in (a)(1) above shall utilize:

- (A) The 6+ age category when the child is considered school-age for licensing purposes.
- (B) The 2-5 age category when the child is considered preschool age for licensing purposes.

(2) Providers identified in (a)(2) and (a)(3) above shall utilize:

- (A) The 6+ age category when the child is six years of age or older.
- (B) The 2-5 age category when the child is less than six years of age.

Note: Authority cited: Sections 8265 and 8269, Education Code. Reference: Sections 8265 and 8269, Education Code.