

Date of Hearing: April 9, 2024

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Alex Lee, Chair

AB 2949 (Rendon) – As Amended March 21, 2024

**SUBJECT:** Family childcare home education networks

**SUMMARY:** Makes changes to the list of duties and responsibilities of family childcare home education networks (FCCHENs), contractors, and providers. Specifically, **this bill:**

- 1) Adds the following to the list of requirements a FCCHEN program must provide:
  - a) Nutrition education and training;
  - b) Assessment tools that are appropriate to family childcare home (FCCH) settings;
  - c) Maintenance of a folder, known as a developmental portfolio, for each child that includes, among other items, a child’s work product and observations of the child; and,
  - d) Opportunities for parent involvement.
- 2) Adds the following to the list of requirements an FCCHEN contractor must meet:
  - a) Ensure collection of family fees in accordance with contract requirements;
  - b) Develop and implement a plan for timely payment to providers;
  - c) Use assessment tools that are appropriate to FCCH settings;
  - d) Complete a developmental profile for each child based upon observations of network staff, and in accordance with the provider’s observations, by doing at least both of the following:
    - i) Complete the developmental child assessment profile selected by the California Department of Social Services (CDSS), in consultation with the provider. Requires the contractor’s child development specialist to sign the developmental profile; and,
    - ii) Utilize the developmental portfolio maintained by the provider, including provider observations in each child.
  - e) Conduct a parent survey, as directed by CDSS.
  - f) Ensure parent conferences are offered to each enrolled child’s parent, and permits the parent to decline a parent conference.
  - g) Monitor each FCCH affiliated with the network to ensure that requirements are met, including, but not limited to, basic health, nutrition, and quality standards.

- h) Maintain a signed, written agreement with each affiliated provider and an authorized representative of the FCCHEN. Requires the agreement to include, but not be limited to, all of the following:
  - i) The provider's status as an independent contractor with the FCCHEN;
  - ii) The provider's nondiscrimination policy; and,
  - iii) The established reimbursement rates.
- 3) Removes the following existing requirements a FCCHEN contractor must meet:
  - a) Ensure that basic health and nutrition requirements are met; and,
  - b) Monitor, including quality standards and conduct periodic assessments of program quality in each FCCH affiliated with the network.
- 4) Exempts a FCCHEN contractor from being required to maintain a parent advisory committee.
- 5) Requires a provider in a FCCHEN to adopt and use a curriculum or curricula, of the provider's choosing, appropriate for the age range of children in the home.
- 6) Permits the FCCHEN contractor, in order to ensure educational quality for children, to adopt a policy limiting the curricula acceptable within its network. Requires the policy to include not less than three curricula, and permits the contractor to approve provider-developed curricula if they are educational and appropriate for the age ranges of children in the homes.
- 7) Requires a provider in an FCCHEN to do all of the following:
  - a) Provide age-appropriate and developmentally appropriate educational activities for children;
  - b) Provide care and supervision of children;
  - c) Provide parenting education to parents. Permits parenting education to include, but not be limited to, general program information and formal or informal parent conferences and exchange of information about the development, needs, and skills of the parents' child or children;
  - d) Identify child and family social service or health needs, and share those needs with the FCCHEN contractor;
  - e) Provide nutrition that is consistent with standards of the federal Child and Adult Care Food Program of the United States Department of Agriculture.
  - f) Work in consultation with the contractor to complete the developmental profile for each child, including doing all of the following:
    - i) Complete the developmental profile child assessment instrument in consultation with the contractor;

- ii) Maintain a developmental portfolio for each child that includes items produced by the child. Requires a copy of this portfolio to be shared with the contractor for purposes of department review;
  - iii) Maintain observations and other documentation of the child's skills; and,
  - iv) Conduct or participate in parent conferences per contractor policies.
- g) Provide the contractor with copies of all citations issued to the provider by the Community Care Licensing Division of CDSS within five calendar days of the issuing date of the citation.
- 8) Permits a provider, but is not required to, encourage parent involvement in the provider's FCCHEN program.
- 9) Specifies that a provider is not required to maintain a parent advisory committee.
- 10) Makes technical changes.

**EXISTING LAW:**

- 1) Establishes the "Child Care and Development Services Act" to provide childcare and development services as part of a coordinated, comprehensive, and cost-effective system serving children from birth to 13 years of age and their parents including a full range of supervision, health, and support services through full- and part-time programs, regardless of ethnic status, cultural background, or special needs. (Welfare and Institution Code [WIC] § 10207 *et seq.*)
- 2) Defines the following terms:
  - a) "Childcare and development programs" to mean those programs that offer a full range of services for children from infancy to 13 years of age, for any part of a day, by a public or private agency, in centers and family childcare homes, which includes, but are not limited to, general childcare and development, migrant childcare and development, childcare and development services for children with exceptional needs, FCCHEN, and alternative payment. (WIC § 10213.5(i))
  - b) "Childcare and development services" to mean those services designed to meet a wide variety of needs of children and their families, while their parents or guardians are working, in training, seeking employment, incapacitated, or in need of respite. These services may include direct care and supervision, instructional activities, resource and referral programs, and alternative payment arrangements. (WIC § 10213.5(j))
  - c) "Family childcare home education network" to mean an entity organized under law that contracts with CDSS to make payments to licensed FCCH providers and to provide educational and support services to those providers and to children and families eligible for state-subsidized childcare and development services. A FCCHEN may also be referred to as a FCCH system. (WIC § 10213.5(p))
  - d) "Family daycare home" to mean a facility that regularly provides care, protection, and supervision for 14 or fewer children, including children under 10 years of age who reside

at the home, in the provider's own home, for periods of less than 24 hours per day, while the parents or guardians are away. (Health and Safety Code § 1596.78)

- 3) Requires CDSS, with funds appropriated for this purpose, to contract with entities organized under law to operate FCCHENs that support educational objectives for children in licensed FCCHs that serve families eligible for subsidized care. (WIC § 10250(a))
- 4) Requires FCCHEN programs to include, but not be limited to, all of the following:
  - a) Age- and developmentally appropriate activities for children;
  - b) Care and supervision of children;
  - c) Parenting education;
  - d) Identification of child and family social or health needs and referral of the child or the family to the appropriate social or health services;
  - e) Nutrition;
  - f) Training and support for the FCCHEN's family childcare providers and staff;
  - g) Assessment of each family childcare provider to ensure that services are of high quality and are educationally and developmentally appropriate;
  - h) Developmental profiles for children enrolled in the program; and,
  - i) Parent involvement. (WIC § 10250(b))
- 5) Requires each FCCHEN contractor to do all of the following:
  - a) Recruit, enroll, and certify eligible families;
  - b) Recruit, train, support, and reimburse licensed family childcare providers;
  - c) Collect family fees in accordance with contract requirements;
  - d) Assess, according to standards set by CDSS, the educational quality of the program offered in each FCCH in the network;
  - e) Assure that a developmental profile is completed for each child based upon observations of network staff, in consultation with the provider;
  - f) Monitor requirements, including quality standards, and conduct periodic assessments of program quality in each FCCH affiliated with the network;
  - g) Ensure that basic health and nutrition requirements are met; and,
  - h) Provide data and reporting in accordance with contract requirements. (WIC § 10251)

- 6) Requires the Superintendent of Public Instruction (SPI) to ensure that contracts for preschool programs include a requirement that each public or private provider maintain a developmental profile to appropriately identify the emotional, social, physical, and cognitive growth of each child served in order to promote the child's success in the public schools. Further requires the California Department of Education (CDE) to provide a developmental profile to all public and private providers using existing profile instruments that are more cost effective. (Education Code § 8203.5(b))

**FISCAL EFFECT:** Unknown, this bill has not been analyzed by a fiscal committee.

**COMMENTS:**

**Background:** *Subsidized Childcare.* California's subsidized childcare is made up of a complex system of programs serving children from birth through 13 years of age, funded through a mix of federal and state dollars, and administered through a mixed delivery system by local educational agencies (LEAs), community-based providers, and family childcare providers. Specifically, subsidized childcare is available through numerous voucher-based programs, including but not limited to:

- California Alternative Payment Program helps enroll eligible families for subsidized childcare in licensed centers, FCCHs, or license-exempt settings and pays for those services directly to the childcare provider selected by the family. The January 2024 CDSS Child Care Transition Quarterly Report found that in fiscal year 2022-23, 92,428 children were participating in alternative payment programs (APPs), a decrease from the 99,843 children served in 2021-22.

Subsidized childcare is also available through several direct service programs, including, but not limited to:

- General Child Care and Development (CCTR) Programs provide developmentally, culturally, and linguistically appropriate curriculum to children from birth through 12 years of age as well as older children with exceptional needs in centers and FCCHENs. 25,170 children were participating in CCTR in 2022-23, a decrease from the 39,413 children served in 2021-22.
- FCCHENs provide childcare and development services in FCCH settings for children from birth through 12 years of age and older children with exceptional needs. FCCHENs also provide an educational component that is developmentally, culturally, and linguistically appropriate for the children served. 2,759 children were participating in FCCHENs in 2022-23, a decrease from the 4,220 children served in 2021-22.

In fiscal year 2022-23, most children enrolled in subsidized childcare and development programs received care through licensed FCCHs (158,959), centers (124,708), and license-exempt settings (82,704).

*Family Childcare Homes.* FCCHs are operated in the licensee's own home, which may be rented, leased, or owned, and are permitted to be in a mobile home park or an apartment. FCCHs provide nonmedical care and supervision in a family-like setting, providing a nurturing environment for children while supporting their cognitive, social, and emotional development.

FCCHs are further categorized into small (eight or fewer children) and large homes (as many as 14) based on the size of the childcare group and the ages of the children.

Families with lower incomes may have a greater need for home-based childcare, whether licensed or unlicensed, compared to higher-income families. This can be due, in part, from the availability of care options during nontraditional work hours commonly associated with certain lower-paying occupations. For instance, data from a 2022 report by the United States Department of Labor, Bureau of Labor Statistics, reveals that in 2020, 2 million individuals categorized as "working poor" – those who spent at least 27 weeks in the labor force, but still earned incomes below the federal poverty level – were employed in service occupations. Jobs within the service sector often entail nontraditional and unpredictable work schedules. As such, FCCH programs play a critical role in increasing accessibility to early childhood education and care, particularly for families in underserved or rural areas where traditional childcare facilities may be limited.

The January 2024 CDSS Child Care Transition Quarterly Report found that 158,959 Californian children were enrolled in FCCHs in fiscal year 2022-23. Additionally, data from the Children's Equity Project in 2019 indicated that 75% of children enrolled in an FCCH were Latinx. A study published by the University of California, Berkeley's Center for the Study of Child Care Employment in 2022 surveyed 3,000 FCCH providers and found that 98% were women; 82% were above the age of 40; and, 37% were Latina followed by 29% who identified as White.

*Family Childcare Home Education Networks.* FCCHENs are one component of the state's mixed delivery early care and education system. FCCHENs have operated in California since the 1970s and have evolved over decades in response to the changing landscape of early childhood education and care. The concept of family childcare has deep roots in communities, with informal arrangements often being the norm for many families seeking childcare services. As the demand for structured early childhood education and care grew, formal FCCHENs began to emerge, offering a more organized approach to family childcare. As a result, FCCHENs were not codified until AB 379 (Mullin), Chapter 897, Statutes of 2004, detailing the current practice at the time and better defining FCCHEN responsibilities. In addition to providing early childhood education and care services within FCCH settings, FCCHENs often integrate support services to affiliated FCCH providers within a network, such as training, professional development, technical assistance, coaching and mentoring, and administrative assistance to enhance the capacity and quality of participating providers. A contractor such as an APP agency or a LEA administers FCCHENs.

As part of what FCCHEN programs are required to do, program specialists closely monitor and evaluate children's developmental progress during visits to FCCHEN providers utilizing the Desired Results Developmental Profile (DRDP). Children are observed upon enrollment into the program and every six months thereafter. Upon completing each observation, parent conferences may be held between the parent and FCCHEN program specialists to discuss key observations and share resources to support each child's ongoing healthy development. FCCHEN providers also utilize the Family Child Care Environmental Rating Scale (FCCERS) to evaluate and strengthen the quality of care in FCCHs. Some of the items included in the FCCERS instrument are safety, health, furnishings, and general indoor/outdoor environment, learning materials and activities, and relationships. A FCCERS evaluation is done once a year and the results are used to create an Action Plan that helps identify strengths, as well as areas that the childcare provider

can strengthen. The FCCERS process encourages and supports continual professional growth and program quality improvement.

In the 2021-22 fiscal year, CDSS had 73 FCCHEN contractors serving 1,693 providers and 10,374 children. CDE has five CSPP FCCHENs serving 113 providers and 151 children.

*Blue Ribbon Commission (BRC)*. The California Assembly BRC on Early Childhood Education issued a final report in 2019 laying out broad systemic proposals and detailed recommendations for improving the early care and education system. One of the seven key areas focused on quality improvements, which emphasized expanding support for and participation in FCCHENs to expand quality care options for families. In particular, recommendations outlined include:

- Ensure assessment tools are evidence-based and appropriate to FCCH settings;
- Require developmental profiles to be realistic for FCCH settings and include a child's work product and observations of the child;
- Encourage providers to provide opportunities for parent involvement and offer parent conferences;
- Ensure contractors develop and implement a plan for timely payments to providers;
- Have contractors monitor each FCCH affiliated with the network to ensure that requirements are met, including, but not limited to, basic health, nutrition, and quality standards; and,
- Support contractors to offer providers at least 12 hours annually of training and technical assistance in group or individual settings including age- and developmentally-appropriate educational practices and activities for children.

This bill aims to establish consistent standards across FCCHENs by adhering to the recommendations set forth by the BRC Report. This bill seeks to further ensure uniform expectations for contractors and providers statewide, thereby minimizing variations in the quality of childcare provided to children in these settings.

For FCCHENs, added responsibilities include provisions for nutrition education and training, assessment tools that are appropriate to FCCH settings, developmental portfolios, and opportunities for parent involvement.

For contractors, specified duties include family fee collection, timely payment processing for providers, assessment procedures, parent communication, monitoring of affiliated providers, and maintenance of written agreements.

Provider responsibilities are also proposed to be expanded to include the implementation of developmentally appropriate curricula that align with the needs and preferences of the children in their care, providing parenting education, identifying and sharing child and family social service or health needs, providing nutrition, and providing contractors with copies of all issued citations by CDSS.

**Author’s Statement:** According to the Author, “It’s vital that family childcare home education networks (FCCHENs) have clear responsibilities and uniform standards as to the education and care of California’s kids. [This bill] will codify best practices and standards for FCCHEN providers and contractors, allowing for a better, more consistent quality of care across these home education facilities.”

**Equity Implications:** Subsidized childcare predominately serves low-income families and children of color. These families predominately place their children in FCCHs for care, which offer more flexible care for families in terms of hours and in some cases, FCCHs may be the only available childcare in the area. By codifying best standards and practices across FCCHs for contractors and providers, this bill ensures greater protection of the 158,959 children who utilized this care as of 2022-23.

**Double referral:** Should this bill pass out of this Committee, it will be referred to the Assembly Committee on Education.

#### **RELATED OR PRIOR LEGISLATION:**

**AB 1038 (Rendon) of 2023**, was substantially similar to this bill. AB 1038 would have imposed requirements on FCCHEN programs, contractors, and affiliated providers to ensure assessments are appropriate to FCCH settings, curricula are age- and developmentally-appropriate, and quality standards are met. *AB 1038 was ordered to inactive file at the request of Senator Dahle.*

**AB 2986 (Reyes) of 2020**, was substantially similar to this bill. AB 2986 would have stated the legislative intent to enact future legislation relating to the compensation of FCCHENs and the establishment of a supportive system pilot program for FCCHENs. *AB 2986 hearing was postponed by the Assembly Human Services Committee.*

**AB 2001 (Reyes) of 2018**, was substantially similar to this bill. *AB 2001 was held on the Senate Appropriations Committee suspense file.*

**AB 598 (Calderon) of 2016**, was substantially similar to this bill. *AB 598 was held on the the Senate Appropriations Committee suspense file.*

**AB 379 (Mullin), Chapter 897, Statutes of 2004**, codified FCCHENs into law with oversight by the SPI.

#### **REGISTERED SUPPORT / OPPOSITION:**

##### **Support**

Child Care Resource Center

##### **Opposition**

None on file.

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