

Date of Hearing: April 23, 2024

ASSEMBLY COMMITTEE ON HUMAN SERVICES

Alex Lee, Chair

AB 2476 (Bonta) – As Amended April 17, 2024

SUBJECT: Childcare services: alternative payment programs

SUMMARY: Removes the requirement that the Alternative Payment Program (APP) reimburse childcare providers based on actual days and hours of attendance, and instead, requires the California Department of Social Services (CDSS) to ensure that childcare providers be reimbursed at the regional market rate (RMR) ceiling. Commencing April 30, 2026, requires APPs to provide payment to a childcare provider before childcare services begin for the child. Requires CDSS to compensate APPs that reimburse childcare providers no later than April 30, 2025. Specifically, **this bill:**

- 1) Repeals the requirement that the APPs reimburse childcare providers based upon the following criteria:
 - a) The hours of service provided that are broadly consistent with certified hours of need;
 - b) The actual day and hours of attendance, up to the maximum certified hours, for families with variable schedules; and,
 - c) The actual days and hours of attendance, up to the maximum certified hours, for license-exempt providers that provide part-time services.
- 2) Requires CDSS to ensure that childcare providers for the provision of state-funded subsidized childcare and development services be reimbursed at the applicable regional market rate ceiling.
- 3) Requires APPs to provide payment to a childcare provider for childcare services prior to the day the childcare begins for the child commencing April 30, 2026.
- 4) Requires CDSS to compensate APPs that reimburse childcare providers for the provision of state-funded subsidized childcare and development services no later than April 30, 2025.

EXISTING LAW:

State law:

- 1) Establishes the “Child Care and Development Services Act” (CCDSA) 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. (Welfare and Institutions Code [WIC] § 10207 *et seq.*)
- 2) States the legislative intent that all families have access to childcare and development services, through resource and referral where appropriate, and regardless of demographic background or special needs, and that families are provided the opportunity to attain financial stability through employment, while maximizing growth and development of their children

and enhancing their parenting skills through participation in childcare and development programs. (WIC § 10207.5)

- 3) Defines “childcare and development services” to mean services designed to meet a wide variety of children’s and families’ needs while parents and guardians are working, in training, seeking employment, incapacitated, or in need of respite and states that these services may include direct care supervision, instructional activities, resource and referral programs, and alternative payment arrangements. (WIC § 10213.5(j))
- 4) Requires families to meet certain criteria in order to be eligible for federal and state subsidized child development services, including that a family must be either a current aid recipient, income eligible, homeless, or one whose children are recipients of protective services or have been identified as being, or at risk of being, abused, or neglected, as specified. (WIC § 10271)
- 5) Defines “alternative payment program” as a local government agency or nonprofit organization that has contracted with CDSS, as specified, to provide alternative payments and to provide support services to parents and providers. (WIC § 10213.5(b))
- 6) Defines “alternative payments” to include payments made by one childcare agency to another agency or provider for the provision of childcare and development services, and payments that are made by an agency to a parent for the parent's purchase of childcare and development services. (WIC § 10213.5(a))
- 7) Authorizes the use of childcare and development funds (CCDF) for APPs in order to maximize parental choice in selecting an appropriate childcare setting, and establishes requirements regarding APPs, as specified. (WIC § 10225)
- 8) Requires CDSS to contract with local contracting agencies for APPs so that services can be provided throughout the state, as specified. (WIC § 10225.5(b))
- 9) Requires childcare providers authorized to provide services using alternative payments to submit to the APP a monthly attendance record or invoice for each child who received services that documents the dates and actual times care was provided each day, including the time the child entered and the time the child left care each day. (WIC § 10227.5(a))
- 10) Requires an APP to reimburse childcare providers based upon the following criteria:
 - a) The hours of service provided that are broadly consistent with certified hours of need;
 - b) For families with variable schedules, the actual days and hours of attendance, up to the maximum certified hours; and,
 - c) For license exempt providers that provide part-time services, the actual days and hours of attendance, up to the maximum certified hours. (WIC § 10227.5(d))
- 11) Requires, on or before March 1, 2024, each county and contractor that reimburses childcare providers for the provision of state-funded subsidized childcare and development services to develop, implement, and publish a plan for timely payments to childcare providers. (WIC § 10277(a))

- 12) Requires the Governor and the Child Care Providers United (CCPU), consistent with the agreement dated June 25, 2021, to establish a Joint Labor Management Committee (JLMC) to develop recommendations for a single reimbursement rate structure that addresses quality standards for equity and accessibility while supporting positive learning and developmental outcomes for children. (WIC § 10280.2)
- 13) Defines “regional market rate” to mean care costing no more than 1.5 market standard deviations above the mean cost of care for that region. (WIC § 10374.5(a))
- 14) States legislative intent to reimburse childcare providers at the 85th percentile of the most recent RMR survey. (WIC § 10374.5(a))
- 15) Establishes, beginning January 1, 2022, the RMR ceilings at the greater of either: the 75th percentile of the 2018 RMR survey for that region; or, the RMR ceiling that existed in that region on December 31, 2021. (WIC § 10374.5(b)(2))
- 16) Requires, beginning January 1, 2022, contractors who, as of December 31, 2021, received the standard reimbursement rate (SRR) to be reimbursed at the greater of the following: the 75th percentile of the 2018 RMR survey; or, the contract per-child reimbursement amount as of December 31, 2021. (WIC 10280(c)(1))
- 17) Defines “alternative methodology” to mean a cost-based rate-setting method, including a cost estimation model, on which to base payment rates. (WIC § 10213.5(ak))
- 18) Makes legislative intent regarding utilizing an alternative methodology to inform the setting of reimbursement rates for subsidized childcare, which are subject to agreement and codification by the Legislature. (WIC § 10227.6)
- 19) Requires CDSS, in collaboration with the California Department of Education (CDE), to develop and conduct an alternative methodology. (WIC § 10227.6(c))
- 20) Requires CDSS to begin the process of data collection and analysis pursuant to developing an alternative methodology by July 1, 2023. (WIC § 10227.6(c))
- 21) Requires, no later than February 15, 2024, CDSS, in collaboration with CDE and JLMC, using information from the cost estimation model, to define elements of the base rate and any enhanced rates to inform the state’s proposed single rate structure and rates. (WIC 10227.3(d))
- 22) Requires, no later than May 15, 2024, CDSS to report on the status of the draft CCDF state plan on the state’s proposed single rate structure to be submitted to the United States Department of Health and Human Services (DHHS), Administration for Children and Families (ACF). (WIC § 10227.6(e))
- 23) Requires, within 60 days of federal approval of the single rate structure utilizing the alternative methodology in the state plan, CDSS to provide an outline of implementation components for the approved single rate structure. (WIC § 10227.6(g))
- 24) Requires, if the DHHS ACF does not approve the alternative methodology, CDSS to develop and conduct a survey of the market rates for childcare services. (WIC § 10227.6(i))

Federal law:

25) Requires childcare providers to be paid no more than 21 calendar days after submitting a complete invoice for services. (45 Code of Federal Regulations 98.45(l)(1)(ii))

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

COMMENTS:

Background: *Subsidized Childcare.* California's subsidized childcare system is designed to provide assistance to parents and guardians who are working, in training, seeking employment, incapacitated, or in need of respite through a number of programs, including voucher-based programs, which provide vouchers for families to use at licensed childcare centers (CCCs), licensed family childcare homes, or license-exempt childcare. Families have a choice in the type of care their children receive. In statutes, voucher-based programs are looped together and referred to collectively as Alternative Payment Programs (APP), which include:

- California Work Opportunity and Responsibility to Kids (CalWORKs) Stage One: Begins when a family starts receiving CalWORKs cash assistance, providing childcare for up to 12 months and can be extended for another 12 months if needed before the childcare end date. Childcare is available for children up to 12 years of age and up to 21 years of age for those with exceptional needs. County welfare departments (CWDs) or their contractors, local APP agencies, administer Stage One. Families move to Stage Two once they no longer receive CalWORKs cash aid.
- CalWORKs Stage Two (C2AP): A family moves to Stage Two once a family is deemed stable by CWDs due to securing employment or when CalWORKs cash aid concludes, and may remain in Stage Two for an additional 24 months. CDSS contracts with APP agencies to administer Stage Two.
- CalWORKs Stage Three (C3AP): A family transitions to Stage Three after having been off CalWORKs cash aid for 24 months, and may remain in Stage Three until their children surpass the eligibility age or their income exceeds 85% of the state median income, if funding is available. CDSS contracts with APP agencies to administer Stage Three.
- Alternative Payment Programs (APPs): APPs use federal and state funding to provide vouchers for eligible low-income families. APP agencies help families enrolled in CalWORKs childcare or APPs arrange childcare services and makes payment for those services directly to the childcare provider selected by the family.
- Migrant Alternative Payment Program: Issues vouchers to eligible, migrant families that can be used to purchase childcare and development services with childcare providers throughout California's central valley. This program provides services for children birth through 12 years of age, and for older children with exceptional needs. Funding for services follows families as they move from place to place for agricultural work.
- Emergency Child Care Bridge Program for Foster Children (Bridge Program): The Bridge Program addresses childcare needs as a barrier for families otherwise willing to bring a child in the foster care system into their home, and for parenting youth in the foster care system. It provides time-limited vouchers for childcare and childcare navigator services. There is also

trauma-informed care training and coaching component for childcare providers to enhance their ability to provide nurturing and safe environments for children. The Bridge Program is not an entitlement, instead, it is a time-limited “bridge” to long-term childcare solutions used at the time of placement to stabilize children in the best possible settings ensuring that caretakers have adequate support to balance their work and home lives.

Reimbursement Rates. Subsidized childcare providers in California are paid based on either the RMR or SRR.

Voucher-based programs, including CalWORKs and APPs are reimbursed using the RMR, which is determined by a survey of licensed childcare providers and prevailing market rates within a specific region. This survey, conducted every two to three years, reflects the prices charged by providers to families, often tailored to local affordability rather than actual cost. This data is utilized by the Legislature to establish reimbursement ceilings for each county, different early learning and care environments, such as centers and family childcare homes, and based on additional service attributes, such as part-day or full-day care, and age group. Currently, the RMR ceilings, effective January 1, 2022, are set to either the 75th percentile of the 2018 RMR survey for that region or the RMR ceiling that existed in that region on December 31, 2021, whichever is higher. RMR levels typically only increase when the state takes action to use a higher percentile of the survey or the most recent survey.

Direct contracts with the state that cater to a specified number of eligible children, such as the California State Preschool Program (CSPP) and General Child Care and Development (CCTR) program determine their rates through the SRR, which is a fixed rate established annually in the state budget. The SRR is modified based on the duration of care and the child's age, with higher rates allocated for children with limited English proficiency or disabilities. Unlike the RMR, the SRR remains constant across different geographic areas, neglecting regional cost variations. Nonetheless, the SRR undergoes an annual adjustment to accommodate changes in the cost of living, as mandated by law. According to the February 2023 report by the LAO, the current SRR stands at \$54.93 per day for childcare and \$55.27 for state preschool. In 2021-22, the state shifted direct contract providers to the RMR to the extent the RMR was higher than the SRR.

The primary differences between RMR- and SRR-funded programs are, among others, as follows:

Regional Market Rate (RMR)	Standard Reimbursement Rate (SRR)
<ul style="list-style-type: none"> • Applies to voucher-based programs, such as CalWORKs and APPs. 	<ul style="list-style-type: none"> • Applies to direct-service programs, such as CSPP, Migrant Child Care and Development Programs, and CCTR.
<ul style="list-style-type: none"> • Must meet Title 22 licensing requirements, which relate to certain health and safety standards 	<ul style="list-style-type: none"> • Must meet both Title 22 and Title 5 licensing requirements, which require stricter staffing ratios, certain staff qualifications, and specific developmentally appropriate activities.
<ul style="list-style-type: none"> • Funded federally through the Child Care and Development Block Grant. 	<ul style="list-style-type: none"> • Funded primarily through non-federal funding sources, e.g. Proposition 98 funds.

Federal law mandates that childcare providers who accept vouchers be reimbursed no more than 21 days after providing childcare and submitting an attendance sheet or invoice. This practice requires providers to bear the upfront cost of service, unlike the private pay market where payment is typically required upfront to acknowledge the business cost associated with each childcare slot. Rather than paying providers based on fluctuating attendance rates, which makes it difficult to predict forthcoming revenue, this bill seeks to pay providers based on enrollment, mirroring practices in the private sector. This approach assists in offsetting providers' fixed costs, especially as they endeavor to rebuild their enrollment levels, which were significantly impacted by the COVID-19 pandemic and have not yet fully recovered. Specifically, this bill requires CDSS to ensure that childcare providers who offer state-funded subsidized childcare receive reimbursement at the applicable RMR ceiling. This bill further requires, starting May 1, 2025, APPs to pay childcare providers the day prior to childcare services begin for the child, rather than reimburse them after the fact.

Actual Cost of Care. Paying providers ahead of childcare services beginning is a positive step; however, reimbursement rates paid to providers frequently fall short of covering the true cost of care, and recent increases in inflation have further strained their budgets. For instance, a March 2023 brief from the Child Care Resource Center demonstrates that the cost of providing care for a preschooler in a full-time CCC exceeds current reimbursement rates, particularly when adjusted for inflation. This funding shortfall varies across regions, with providers in counties like San Bernardino, Los Angeles, Alameda, and Butte facing substantial gaps between reimbursement rates and the actual costs of care. In San Bernardino County, the 75th percentile of the 2018 RMR survey equates to a rate of \$983.03, but adjusted for inflation in 2023, this reimbursement rate should be \$1,092. The brief indicates that the monthly cost of care in the region is approximately \$1,908.17, resulting in a funding shortfall of \$925.14 for providers in San Bernardino County. Similar funding gaps exist in other counties, such as \$987.33 in Los Angeles County, \$717.05 in Alameda County, and \$537.30 in Butte County. These financial constraints undermine the ability of providers to deliver quality care and maintain essential supplies, exacerbating challenges within the childcare system.

Moreover, childcare reimbursement rates in California have not kept pace with increases in the minimum wage, exacerbating financial challenges for childcare providers. Despite a 55% increase in the minimum wage from 2016-17 to 2022-23, reimbursement rates for childcare providers across all 58 counties have generally lagged behind, according to a March 2023 report from the California Budget & Policy Center. In Los Angeles County, for example, payment rates for licensed centers caring for preschool-aged children increased by less than half as much as the statewide minimum wage. Some counties, like Riverside County, saw a negligible rate increase of less than 5%. Licensed centers in 27 counties have not received a single rate increase for preschool-age care since 2016-17 due to limitations in the rate-setting process. This lack of adjusting reimbursement rates consistently has left providers struggling to cover rising staff costs and the increasing prices of food and supplies. As a result, 17% of California childcare providers are living in poverty, according to the Center for the Study of Child Care Employment at the University of Berkeley. This disparity underscores the need to ensure that childcare providers can sustainably operate while providing quality care to children.

Alternative Methodology. In 2019, Governor Newsom signed AB 378 (Limon), Chapter 385, Statutes of 2019, which gave approximately 40,000 childcare providers the right to join a union and collectively bargain with the State of California. In 2021, AB 131 (Committee on Budget), Chapter 116, Statutes of 2021, ratified the bargaining contract agreed to between the CCPU and

the State of California, and codified portions of the agreements related to rate increases, provider stipends, licensing initiatives, and mental health supports. AB 131 also required the State of California and CCPU to create a JLMC for the purposes of providing recommendations on a single reimbursement rate system in coordination with a larger working group convened by CDSS (discussed below). The first agreement was effective beginning July 26, 2021, and remained in effect until June 30, 2023. CCPU bargained negotiations with the state for a new contract that would take effect upon ratification in the state budget. As such, the most recent agreement is effective beginning September 13, 2024, through July 1, 2025. Beginning January 1, 2024, and upon full ratification of the agreement, all represented family childcare providers are required to receive once per month per child served who is enrolled in subsidized childcare cost of care plus rate, ranging between \$140 to \$211 based on region.

No later than July 1, 2024, the state is required to submit a state plan to the federal government to approve a proposed alternative methodology. Within 60 days of approval, California is required to provide CCPU with an outline detailing the implementation components for the approved single-rate structure. CCPU will then have a 30-day window to review and provide feedback on draft guidance for the implementation of policies within the scope of representation. Within 90 days following approval, further negotiations will take place regarding the restructuring of current subsidy reimbursement rates and the allocation of associated funding for family childcare providers, in accordance with the approved single rate structure and its implementation. Rates would then become effective upon completion of any additional activities deemed reasonably necessary for implementation, including regulatory and policy guidance, contractor training, and updates to contracts and essential data systems.

Rate and Quality Workgroup (RQWG). AB 131 established a RQWG to be convened by CDSS with diverse stakeholder representation to assess the methodology for establishing reimbursement rates and the existing quality standards for childcare and development and preschool programs. AB 131 required the workgroup to submit recommendations to the Legislature no later than August 15, 2022. The workgroup met over a dozen times between January and August 2022 and included the perspectives of early learning and care providers, APPs, childcare experts, families, and representatives of CDSS and CDE.

In a summary of its findings, the report states, “The current approach of using a [RMR] survey of prices that programs are charging families institutionalizes race- and income-based inequities by establishing low rates in low-income areas where programs are offsetting their prices so that families can afford to pay.” Among the final recommendations of the RQWG are the following:

- Use an alternative methodology rather than the current market rate survey to set base rates for compensating early learning and care providers, accounting for the costs associated with meeting current state requirements;
- Introduce a single rate structure that specifies base rates, aimed at addressing historical disparities; and,
- Regularly assess the rate-setting methodology to ensure equity, adapting to evolving circumstances and rising costs.

This bill does not address the overall need for rate reform within the childcare sector; however, it does provide relief to childcare providers by requiring APPs to pay providers in advance of the delivery of services.

Child Care Development Fund. On April 18, 2023, President Biden issued an Executive Order directing HHS to advance policies that reduce childcare costs for families and improve provider payment policies. On March 1, 2024, HHS published a final rule to make regulatory changes to the CCDF, effective April 30, 2024. The CCDF is a federal and state partnership program that provides over \$5 billion in federal funding authorized under the Child Care and Development Block Grant to states, territories, and tribes. CCDF must be used to provide financial assistance to low-income families for childcare. The final rule amends the CCDF regulations to 1) lower families' costs for childcare to increase access to childcare and improve family well-being; 2) strengthen CCDF payment practices to childcare providers to expand parents' childcare options and better support childcare operations; and, 3) reduce program bureaucracy for families to make it easier for families to enroll in CCDF. As part of the final rule, states, territories, and any tribes administering CCDF must use private-pay practices that account for childcare fixed costs by paying in advance of or at the beginning of the delivery of services.

As most of the programs within the APP utilize CCDF funding, they will be subject to this final rule. To implement the policies put forth in the final rule, the Legislature must pass enacting legislation. This bill seeks to serve as the enacting legislation for the prospective payment requirement described above. Because many of the policies outlined in the final rule require time to implement, states and territories receiving CCDF funding can apply for temporary waivers. CDSS has applied for a temporary waiver that is expected to expire on April 30, 2026. This bill would require that CDSS administer guidelines on how to implement a prospective payment system to childcare providers administering childcare through the APP by April 30, 2025, and would require the payment system to be fully implemented by April 30, 2026.

Administered by CWDs, this bill does not apply to CalWORKs Stage One childcare, as it is funded through the Temporary Assistance for Needy Families (TANF) Block Grant, which was not included in the final rule described above. Some contend that this exclusion affects parental choice, as childcare facilities may be reluctant to enroll children with CalWORKs Stage One vouchers since reimbursement occurs after services are rendered, inadvertently creating inequitable access to childcare. Conversely, under this bill, proponents argue that providers already receiving upfront payments through APPs funded by the CCDF would possess the financial means and capability to manage reimbursement delays associated with CalWORKs. While this assumes that all providers have equal access to resources and can absorb the financial strain of delayed payments, the decision to exclude CalWORKs Stage One childcare from the final rule reflects a policy choice aimed at addressing immediate payment challenges within specific subsidy programs, including APP, C2AP, C3AP, Bridge, CMAP, which directly benefit 178,117 children compared to 48,095 served in CalWORKs Stage One in fiscal year 2022-23.

Author's Statement: According to the Author, "California is facing a childcare crisis. Between 2019 and 2021, our state lost over 1,100 licensed childcare facilities and nearly 19,000 licensed childcare spaces. This means that only 1 in 4 children aged 0 to 12, with working parents, has access to a licensed childcare space. These shortages hit hardest in low-income communities and deepen existing inequities. Alternative Payment Programs help low-income families to access childcare at a subsidized rate using vouchers. However, the current retrospective payment policies of Alternative Payment Programs force childcare providers to shoulder the cost of care for 21 days until they are finally able to receive payment from the state. [This bill] will stabilize operations for childcare providers by guaranteeing payment at the start of the month. This will help childcare providers remain open, and incentivize them to accept vouchers through Alternative Payment Programs, increasing access to childcare for low-income families."

Equity Implications: For family childcare businesses and centers, determining a business cost for each childcare slot is crucial for budgeting and maintaining operational viability. Private pay families pay upfront to secure a slot for the month, recognizing this cost. However, the existing practice of delayed payment for voucher-based care has disadvantaged low-income working families seeking quality childcare, as many providers cannot afford to hold a slot and then wait for payment.

This bill alleviates some of the inequities that exist between families paying for childcare privately and families using subsidized vouchers by aligning childcare subsidized through the APP with private pay policies for childcare businesses and guaranteeing payment upfront so that they can keep their doors open, while still accepting vouchers that serve low-income families. It will also remove the burden childcare providers take on when they accept vouchers since they will no longer have to frontload the state for the cost of the care provided already prior to receiving payment. In turn, this bill will incentivize more providers to accept childcare vouchers and help childcare providers who already accept vouchers to cover their fixed costs and remain open.

Overall, this bill proposes changes to the reimbursement process for childcare providers, signifying a shift towards streamlined payment processes for APPs and enhanced financial stability for childcare providers who are predominately women of color. By enacting these changes, California can work towards a more responsive, efficient, and inclusive childcare system that meets the needs of families and children across the state.

RELATED OR PRIOR LEGISLATION:

AB 51 (Bonta) of the current legislative session, requires CDSS, in collaboration with CDE, to consider adopting regulations to support childcare providers impacted by the expansion of transitional kindergarten as reimbursement rates are updated and modified to align to an alternative methodology, among other things. *AB 51 was ordered to inactive file at the request of Senator Ashby.*

AB 596 (Aguiar-Curry) of 2023, would have required CDSS, in collaboration with the CDE, to develop and implement an alternative methodology for calculating subsidy payment rates for childcare services and CSPP services; would have required CDSS, in consultation with CDE, to develop an equitable sliding scale for the payment of family fees and prohibit family fees from being collected until the new equitable sliding scale was implemented; and would have increased reimbursements to state preschool and childcare providers, as specified. *AB 596 was held on the Senate Appropriations suspense file.*

AB 1649 (Quirk-Silva) of 2022, would have required the AAP to reimburse childcare providers based upon the maximum certified hours of care instead of the actual days and hours of attendance. *AB 1649 was held on the Assembly Appropriations Committee suspense file.*

AB 131 (Committee on Budget), Chapter 116, Statutes of 2021, amongst other things, required childcare providers to be reimbursed based upon the maximum certified hours of need, as documented on the certificate or voucher, until June 30, 2022.

AB 865 (Quirk-Silva) of 2021, would have made changes to the CCDSA regarding administrative and payment processes for APP agencies. *AB 865 was vetoed by Governor Newsom.*

SB 246 (Leyva) of 2021, would have required CDSS to establish a single reimbursement rate for early learning and care programs, including variation for regional costs and quality adjustment factors. *SB 246 was referred to the Assembly Appropriations Committee with no further action.*

AB 820 (Committee on Budget), Chapter 110, Statutes of 2020, was the education clean-up budget trailer bill, and, among other things, from July 1, 2020, to June 30, 2021, allowed family child care providers to be reimbursed based on enrollment and not based on child attendance.

AB 2883 (Quirk-Silva) of 2020, would have made changes to the CCDSA regarding administrative and payment processes for APP agencies including, amongst other things, requiring that APPs reimburse childcare providers for the maximum certified hours of families with variable schedules or those accessing part-time services. *AB 2883 was referred to the Senate Education Committee but was not set for hearing.*

AB 378 (Limón), Chapter 385, Statutes of 2019, provided that family childcare providers have the right to form, join, and participate in the activities of a provider organization of their own choosing for the purpose of representing them and bargaining on matters related to the terms and conditions of their employment.

SB 174 (Leyva) of 2019, would have required that specified providers of subsidized childcare be reimbursed based upon an updated RMR as of January 1, 2021; would have established the Quality Counts California Pilot Reimbursement Program, to provide higher reimbursement rates to APP providers for meeting certain quality standards; and, would have made the enactment of the bill contingent upon the enactment of related legislation, as specified. *SB 174 was referred to the Assembly Appropriations Committee but was not set for a hearing.*

AB 194 (Reyes) of 2019, would have required \$1 billion, upon appropriation, be made available to immediately improve access to AAPs and CCTRs, as specified, for the state's eligible children and families in need. *AB 194 was held on the Assembly Appropriations suspense file.*

REGISTERED SUPPORT / OPPOSITION:

Support

4C's of Alameda County
4C's Sonoma County
Catalyst Family INC.
Changing Tides Family Services
Child Action INC
Child Development Associates
Child Development Resources of Ventura County, INC.
Children's Resource & Referral of Santa Barbara County
Coalition of California Welfare Rights Organizations
Community Resources for Children
Contra Costa County Office of Education
Davis Street Family Resource Center
Early Care and Education Consortium
Early Edge California
First 5 Monterey County
Girls Club of Los Angeles

Hively
Marin Child Care Council
North Coast Opportunities
Solano Family & Children's Services
Thriving Families California (TFC)
Valley Oak Children's Services, INC.

Opposition

None on file.

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