File No. <u>170187</u>

Committee Item No. _____ Board Item No. _67.

COMMITTEE/BOARD OF SUPERVISORS

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Prepa	red bv:	John Carroll Date: February 23, 2017					
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FILE NO. 170187

RESOLUTION NO.

[Supporting California State Assembly Bill 60 (Santiago and Gonzalez Fletcher) - The Child Care Protections for Working Families Act]

Resolution supporting Assembly Bill 60, authored by State Assembly Members Miguel Santiago and Lorena Gonzalez Fletcher, which updates income eligibility guidelines and income thresholds for parents accessing state child care assistance, guarantees child care eligibility for 12-months, and eliminates outdated reporting requirements.

WHEREAS, Stable child care provides parents the ability to work, pursue improved employment opportunities and increase their wages; and

WHEREAS, The State of California uses outdated income eligibility guidelines derived over a decade ago which limit families earning more than 70% of the State Median Income (SMI) from receiving child care subsidies; and

WHEREAS, These outdated income guidelines do not reflect a realistic picture of affordability and many families that cannot afford child care still do not qualify for subsidized child care; and

WHEREAS, California does not have a statewide policy for families to phase out of child care which would allow for moderate wage growth without sudden changes to child care that they rely on to provide financial stability; and

WHEREAS, Minimum wage increases statewide are still not enough to help parents afford childcare, but yet these increased wages may disqualify parents from subsidized child care with little time to react; and

WHEREAS, This can change a family's situation quickly because Title V of the California Code of Regulations requires families to report any changes in family income, family size, or activities requiring child care within 5 days of the change; and

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WHEREAS, Parents who are enrolled in school must also report changes in schedule within 5 days; and

WHEREAS, Parents with variable schedules have burdensome reporting requirements and must submit pay stubs, employer statements, and time records every four months – and the fear that they will lose subsidized child care may prevent them from taking on additional hours which could provide much needed funds for their family; and

WHEREAS, Due to these outdated and bureaucratic requirements, parents are forced to choose between promotions, pursuing a degree, or increasing their work hours and the child care that is needed to allow them to provide for their family; and

WHEREAS, Failure to report can also cause a family to lose their subsidized child care; and

WHEREAS, According to California Code of Regulations Title V, families are not able to receive child care assistance for more than 12-months without redetermination of eligibility, but there are no safeguards in place to protect families from repeated reporting or termination prior to 12-months; and

WHEREAS, Family advocates, child care administrators, and parents agree that the state's current reporting rules harm families; and

WHEREAS, Creating stability for families who need child care in order to provide for their families will create better outcomes for children and their families; and

WHEREAS, The federal Child Care Development Block Grant Act of 2014 (CCDBG) requires states to implement policies that support stability in child care; and

WHEREAS, These policies include a 12-month eligibility redetermination period regardless of changes in income, as long as income does not exceed the federal threshold of 85% of SMI; eligibility redetermination that does not disrupt parental employment; and

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graduated phase-out of assistance for families whose income has increased at the time of redetermination but does not exceed SMI; and

WHEREAS, California is currently not in compliance with the updated CCDBG and continues to put unnecessary strain on families due to burdensome reporting requirements and potential child care instability; and

WHEREAS, Assembly Bill 60, authored by State Assembly Members Miguel Santiago and Lorena Gonzalez Fletcher, will bring the state into compliance with the CCDBG and proposes policies that will promote stable child care and improve outcomes for children while reducing impractical reporting requirements that burden families; and

WHEREAS, These policies include updating the SMI income threshold for entering families to 70% of the SMI; updating the income threshold at which families exit to 85% of the SMI and creating a graduated phase out for tapered assistance if a family's income has increased at the time of re-determination; guaranteeing 12-months of child care eligibility when a subsidy is given; and removing the required interim reporting during the 12-month period unless a family exceeds 85% SMI or initial certification was while the family sought employment which requires reporting at 6 months; now, therefore, be it

RESOLVED, That the City and County of San Francisco strongly supports Assembly Bill 60 The Child Care Protections for Working Families Act which brings California into compliance with the federal Child Care Development Block Grant Act of 2014 and removes burdensome policies, creates a pathway out of poverty for working families, reduces stress and burdensome paperwork requirements, and creates continuity of care and stability for healthy development and school-readiness; and, be it

FURTHER RESOLVED, That the City and County of San Francisco is unwavering in its support for policies that allow income stability and a strong educational foundation for children to grow, learn and thrive.

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CALIFORNIA LEGISLATURE-2017-18 REGULAR SESSION

ASSEMBLY BILL

No. 60

Introduced by Assembly Members Santiago and Gonzalez

December 7, 2016

An act to amend Sections 8263, 8263.1, and 8273.1 of the Education Code, and to amend Section 11323.2 of the Welfare and Institutions Code, relating to child care and development services.

LEGISLATIVE COUNSEL'S DIGEST

AB 60, as introduced, Santiago. Subsidized child care and development services: eligibility periods.

Existing law, the Child Care and Development Services Act, requires the Superintendent of Public Instruction to administer child care and development programs that offer a full range of services for eligible children from infancy to 13 years of age. Existing law requires the Superintendent to adopt rules and regulations on eligibility, enrollment, and priority of services needed to implement the act. The act, and regulations adopted pursuant to the act, set forth eligibility requirements for families to receive federal and state subsidized child development services and impose various time limits for receipt of services and recertification for continued services.

This bill would require that a family, upon establishing initial eligibility or ongoing eligibility for services under the act, be considered to meet all eligibility requirements for those services for not less than 12 months, receive those services for not less than 12 months before having its eligibility redetermined, and not be required to report changes to income or other changes for at least 12 months, except as provided. The bill would revise the definition of "income eligible" and provide that the definition applies for purposes of establishing initial income

eligibility for services under the act, and would add a definition of "ongoing income eligible" for purposes of establishing ongoing income eligibility for services under the act.

The bill would, except as provided, prohibit a payment made by a child development program for a child, during the period between a family's most recent eligibility determination or redetermination and its next eligibility redetermination, from being considered an error or an improper payment due to a change in the family's circumstances during that same period. The bill would, notwithstanding specified law, authorize the State Department of Education to implement this provision through management bulletins or similar letters of instruction until regulations are filed with the Secretary of State to implement the provision. The bill would require the department to initiate a rulemaking action to implement the provision on or before December 31, 2018. The bill would require the department, before initiating this rulemaking action, to convene a workgroup of parents, advocates, department staff, child development program representatives, and other stakeholders to develop recommendations regarding implementing the provision.

The bill would repeal certain provisions that impose time limits for services under the act and a provision that authorizes the Superintendent to grant an extension of services, as specified. The bill would make other conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8263 of the Education Code is amended 2 to read:

8263. (a) (1) The Superintendent shall adopt rules and
regulations on eligibility, enrollment, and priority of services
needed to implement this chapter. In order to be eligible for federal
and state subsidized child development services, families shall
meet at least one requirement in each of the following areas:

8 (A) A family is (i) a current aid recipient, (ii) income eligible, 9 (iii) homeless, or (iv) one whose children are recipients of 10 protective services, or whose children have been identified as being 11 abused, neglected, or exploited, or at risk of being abused, 12 neglected, or exploited.

(B) A family needs the child care services (i) because the child 1 2 is identified by a legal, medical, or social services agency, a local 3 educational agency liaison for homeless children and youths 4 designated pursuant to Section 11432(g)(1)(J)(ii) of Title 42 of 5 the United States Code, a Head Start program, or an emergency 6 or transitional shelter as (I) a recipient of protective services, (II) being neglected, abused, or exploited, or at risk of neglect, abuse, 7 8 or exploitation, or (III) being homeless or (ii) because the parents 9 are (I) engaged in vocational training leading directly to a 10 recognized trade, paraprofession, or profession, (II) employed or seeking employment, (III) seeking permanent housing for family 11 12 stability, or (IV) incapacitated.

13 (2) If only one parent has signed an application for enrollment 14 in child care services, as required by this chapter or regulations adopted to implement this chapter, and the information provided 15 on the application indicates that there is a second parent who has 16 17 not signed the application, the parent who has signed the application shall self-certify the presence or absence of the second 18 19 parent under penalty of perjury. The parent who has signed the 20 application shall not be required to submit additional information 21 documenting the presence or absence of the second parent.

22 (b) Except as provided in Article 15.5 (commencing with Section 23 8350), priority for federal and state subsidized child development 24 services is as follows:

25 (1) (A) First priority shall be given to neglected or abused 26 children who are recipients of child protective services, or children 27 who are at risk of being neglected or abused, upon written referral 28 from a legal, medical, or social services agency. If an agency is 29 unable to enroll a child in the first priority category, the agency shall refer the family to local resource and referral services to 30 31 locate services for the child.

32 (B) A family who is receiving child care on the basis of being 33 a child at risk of abuse, neglect, or exploitation, as defined in 34 subdivision (k) of Section 8208, is eligible to receive services 35 pursuant to subparagraph (A) for up to three months, unless the 36 family becomes eligible pursuant to subparagraph (C). 37

(C) A family may receive child care services for up to 12 months

38 on the basis of a certification by the county child welfare agency 39 that child care services continue to be necessary or, if the child is 40 receiving child protective services during that period of time, and

1 the family requires child care and remains otherwise eligible. This

2 time limit does not apply if the family's child care referral is
3 recertified by the county child welfare agency.

4 (2) Second priority shall be given equally to eligible families, 5 regardless of the number of parents in the home, who are income 6 eligible. Within this priority, families with the lowest gross monthly 7 income in relation to family size, as determined by a schedule 8 adopted by the Superintendent, shall be admitted first. If two or 9 more families are in the same priority in relation to income, the 10 family that has a child with exceptional needs shall be admitted 11 first. If there is no family of the same priority with a child with exceptional needs, the same priority family that has been on the 12 13 waiting list for the longest time shall be admitted first. For purposes 14 of determining order of admission, the grants of public assistance 15 recipients shall be counted as income.

16 (3) The Superintendent shall set criteria for, and may grant specific waivers of, the priorities established in this subdivision 17 18 for agencies that wish to serve specific populations, including 19 children with exceptional needs or children of prisoners. These 20 new waivers shall not include proposals to avoid appropriate fee 21 schedules or admit ineligible families, but may include proposals 22 to accept members of special populations in other than strict income 23 order, as long as appropriate fees are paid.

(c) Notwithstanding any other law, in order to promote 24 25 continuity of services, a family enrolled in a state or federally 26 funded child care and development program whose services would 27 otherwise be terminated because the family no longer meets the 28 program income, eligibility, or need criteria may continue to 29 receive child development services in another state or federally 30 funded child care and development program if the contractor is 31 able to transfer the family's enrollment to another program for 32 which the family is eligible before the date of termination of 33 services or to exchange the family's existing enrollment with the 34 enrollment of a family in another program, provided that both 35 families satisfy the eligibility requirements for the program in 36 which they are being enrolled. The transfer of enrollment may be 37 to another program within the same administrative agency or to 38 another agency that administers state or federally funded child 39 care and development programs.

1 (d) In order to promote continuity of services, the Superintendent may extend the 60-working-day period specified in subdivision 2 3 (a) of Section 18086.5 of Title 5 of the California Code of 4 Regulations for an additional 60 working days if he or she 5 determines that opportunities for employment have diminished to 6 the degree that one or both parents cannot reasonably be expected 7 to find employment within 60 working days and granting the 8 extension is in the public interest. The scope of extensions granted 9 pursuant to this subdivision shall be limited to the necessary 10 geographic areas and affected persons, which shall be described in the Superintendent's order granting the extension. It is the intent 11 12 of the Legislature that extensions granted pursuant to this subdivision improve services in areas with high unemployment 13 14 rates and areas with disproportionately high numbers of seasonal 15 agricultural jobs.

16 (c)

17 (d) A physical examination and evaluation, including 18 age-appropriate immunization, shall be required before, or within 19 six weeks of, enrollment. A standard, rule, or regulation shall not 20 require medical examination or immunization for admission to a child care and development program of a child whose parent or 21 guardian files a letter with the governing board of the child care 22 23 and development program stating that the medical examination or immunization is contrary to his or her religious beliefs, or provide 24 25 for the exclusion of a child from the program because of a parent 26 or guardian having filed the letter. However, if there is good cause 27 to believe that a child is suffering from a recognized contagious 28 or infectious disease, the child shall be temporarily excluded from 29 the program until the governing board of the child care and development program is satisfied that the child is not suffering 30 31 from that contagious or infectious disease.

32 (f)

33 (e) Regulations formulated and promulgated pursuant to this 34 section shall include the recommendations of the State Department 35 of Health Care Services relative to health care screening and the 36 provision of health care services. The Superintendent shall seek 37 the advice and assistance of these health authorities in situations 38 where service under this chapter includes or requires care of 39 children who are ill or children with exceptional needs. 40 (g)

(f) The Superintendent shall establish guidelines for the 1 2 collection of employer-sponsored child care benefit payments from 3 a parent whose child receives subsidized child care and 4 development services. These guidelines shall provide for the 5 collection of the full amount of the benefit payment, but not to 6 exceed the actual cost of child care and development services 7 provided, notwithstanding the applicable fee based on the fee 8 schedule.

9 (h)

10 (g) The Superintendent shall establish guidelines according to 11 which the director or a duly authorized representative of the child 12 care and development program will certify children as eligible for 13 state reimbursement pursuant to this section.

14 (h) (1) Except as provided in paragraphs (2) to (4), inclusive, upon establishing initial eligibility or ongoing eligibility for 15 16 services under this chapter, a family shall be considered to meet 17 all eligibility requirements for those services for not less than 12 18 months, shall receive those services for not less than 12 months 19 before having their eligibility redetermined, and shall not be 20 required to report changes to income or other changes for at least 21 12 months.

(2) A family shall report increases in income that exceed the
threshold for ongoing income eligibility as described in subdivision
(b) of Section 8263.1, and the family's ongoing eligibility for
services shall at that time be redetermined.

26 (3) A family that establishes initial eligibility or ongoing
27 eligibility on the basis of seeking employment shall receive services
28 under this chapter as follows:

(A) If seeking employment is the basis for initial eligibility, the
family shall receive services under this chapter for not less than
six months.

(B) If seeking employment is the only basis for ongoing eligibility
at the time of redetermination, the family shall receive services
under this chapter for six additional months unless the family
becomes eligible on another basis pursuant to subparagraph (B)
of paragraph (1) of subdivision (a).

(4) A family may at any time voluntarily report income or other
changes. This information shall be used, as applicable, to reduce
the family's fees, increase the family's subsidy, or extend the period

40 of the family's eligibility before redetermination.

(i) (1) Because a family that meets eligibility requirements at
 its most recent eligibility determination or redetermination is
 considered eligible until the next redetermination, as provided in
 subdivision (h), a payment made by a child development program
 for a child during this period shall not be considered an error or
 an improper payment due to a change in the family's circumstances
 during that same period.

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8 (2) Notwithstanding paragraph (1), the state or its designated 9 agent may seek to recover payments that are the result of fraud.

10 (j) (1) Notwithstanding the rulemaking provisions of the 11 Administrative Procedure Act (Chapter 3.5 (commencing with 12 Section 11340) of Part 1 of Division 3 of Title 2 of the Government 13 Code) and Section 33308.5 of this code, until regulations are filed 14 with the Secretary of State to implement subdivision (h), the 15 department may implement this section through management 16 bulletins or similar letters of instruction.

17 (2) The department shall initiate a rulemaking action to 18 implement subdivision (h) on or before December 31, 2018. Before 19 initiating a rulemaking action pursuant to this paragraph, the 20 department shall convene a workgroup of parents, advocates, 21 department staff, child development program representatives, and 22 other stakeholders to develop recommendations regarding 23 implementing subdivision (h).

24 (i)

(k) Public funds shall not be paid directly or indirectly to an
agency that does not pay at least the minimum wage to each of its
employees.

28 SEC. 2. Section 8263.1 of the Education Code is amended to 29 read:

30 (a) For purposes of establishing initial income 8263.1. eligibility for services under this chapter, "income eligible" means 31 32 that a family's adjusted monthly income is at or below 70 percent 33 of the state median income, adjusted for family size, and adjusted annually. based on the most recent data on state median income 34 35 published by the United States Census Bureau, for a family of the 36 same size. 37 (b) Notwithstanding any other law, for the 2011–12 fiscal year,

38 the income eligibility limits that were in effect for the 2007–08

39 fiscal year shall be reduced to 70 percent of the state median

1	income that was in use for the 2007-08 fiscal year, adjusted for
2	family size, effective July 1, 2011.
3	(c) Notwithstanding any other law, for the 2012-13, 2013-14,
4	2014–15, 2015–16, and 2016–17 fiscal years, the income eligibility
5	limits shall be 70 percent of the state median income that was in
6	use for the 2007–08 fiscal year, adjusted for family size.
7	(b) For purposes of establishing ongoing income eligibility
8	under this chapter, "ongoing income eligible" means that a
9	family's adjusted monthly income is at or below 85 percent of the
10	state median income, based on the most recent data on state median
11	income published by the United States Census Bureau, for a family
12	of the same size.
13	(d)
14	(c) The income of a recipient of federal supplemental security
15	income benefits pursuant to Title XVI of the federal Social Security
16	Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program
17	benefits pursuant to Title XVI of the federal Social Security Act
18	and Chapter 3 (commencing with Section 12000) of Part 3 of
19	Division 9 of the Welfare and Institutions Code shall not be
20	included as income for purposes of determining eligibility for child
21	care under this chapter.
22	SEC. 3. Section 8273.1 of the Education Code is amended to
$\frac{22}{23}$	read:
24	8273.1. (a) Families receiving services pursuant to
25	subparagraph (B) of paragraph (1) of subdivision (b) of Section
26	8263 may be exempt from family fees for up to three months.
20 27	(b) Families receiving
28	(a) A family that receives services pursuant to subparagraph (C)
29	of paragraph (1) of subdivision (b) of Section 8263 may be exempt
30	from family fees for up to 12 months.
31	(c) The cumulative period of time of exemption from family
32	fees for families receiving services pursuant to paragraph (1) of
33	subdivision (b) of Section 8263 shall not exceed 12 months.
33 34	
	$\frac{(d)}{(d)}$
35	(b) Notwithstanding any other law, a family receiving
36	CalWORKs cash aid shall not be charged a family fee.
37	
38	(c) Notwithstanding any other law, commencing with the
39	2014–15 fiscal year, family fees shall not be assessed for the
40	part-day California preschool program to income eligible families

whose children are enrolled in that program pursuant to Article 7
 (commencing with Section 8235).

3 SEC. 4. Section 11323.2 of the Welfare and Institutions Code 4 is amended to read:

5 11323.2. (a) Necessary supportive services shall be available 6 to every participant in order to participate in the program activity 7 to which he or she is assigned or to accept employment or the participant shall have good cause for not participating under 8 subdivision (f) of Section 11320.3. As provided in the 9 10 welfare-to-work plan entered into between the county and participant pursuant to this article, supportive services shall include 11 12 all of the following:

13 (1) Child care.

(A) Paid child care shall be available to every participant with a dependent child in the assistance unit who needs paid child care if the child is 10 years of age or under, or requires child care or supervision due to a physical, mental, or developmental disability or other similar condition as verified by the county welfare department, or who is under court supervision.

20 (B) To the extent funds are available available, paid child care 21 shall be available to a participant with a dependent child in the 22 assistance unit who needs paid child care if the child is 11 or 12 23 years of age.

(C) Necessary child care services shall be available to every
former recipient for up to two years, pursuant to Article 15.5
(commencing with Section 8350) of Chapter 2 of Part 6 of Division
1 of Title 1 of the Education Code.

(D) A child in foster care receiving benefits under Title IV-E of the federal Social Security Act (42 U.S.C. Sec. 670 et seq.) or a child who would become a dependent child except for the receipt of federal Supplemental Security Income benefits pursuant to Title XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et seq.) shall be deemed to be a dependent child for the purposes of this paragraph.

(E) The provision of care and payment rates under this paragraph
shall be governed by Article 15.5 (commencing with Section 8350)
of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education
Code. Parent fees shall be governed by subdivisions (g) and (h)
of Section 8263 of the Education Code.

1 (2) Transportation costs, which shall be governed by regional 2 market rates as determined in accordance with regulations 3 established by the department.

4 (3) Ancillary expenses, which shall include the cost of books, 5 tools, clothing specifically required for the job, fees, and other 6 necessary costs.

7 (4) Personal counseling. A participant who has personal or 8 family problems that would affect the outcome of the 9 welfare-to-work plan entered into pursuant to this article shall, to 10 the extent available, receive necessary counseling or therapy to 11 help him or her and his or her family adjust to his or her job or 12 training assignment.

(b) If provided in a county plan, the county may continue to
provide case management and supportive services under this
section to former participants who become employed. The county
may provide these services for up to the first 12 months of
employment to the extent they are not available from other sources
and are needed for the individual to retain the employment.

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Prin	IE FORM	2/14/2017
	Introduction Form By a Member of the Board of Supervisors or the Mayor	C4:05pm
I he	reby submit the following item for introduction (select only one):	Time stamp or meeting date
	1. For reference to Committee.	
	An ordinance, resolution, motion, or charter amendment.	
\boxtimes	2. Request for next printed agenda without reference to Committee.	
	3. Request for hearing on a subject matter at Committee.	
	4. Request for letter beginning "Supervisor	inquires"
	5. City Attorney request.	
	6. Call File No. from Committee.	
	7. Budget Analyst request (attach written motion).	
	8. Substitute Legislation File No.	
	9. Request for Closed Session (attach written motion).	
	10. Board to Sit as A Committee of the Whole.	
	11. Question(s) submitted for Mayoral Appearance before the BOS on	
Plea	se check the appropriate boxes. The proposed legislation should be forwarded to the follo	
	Planning Commission Building Inspection Commission	ssion
Note:	For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative	ive
Spons	sor(s):	
Super	rvisors Katy Tang, Jane Kim, Aaron Peskin, Hillary Ronen, Safai, Sheehy, Yee, 1	Fewer
Subje	xet:	
Supp	orting Assembly Bill 60 (Santiago and Gonzalez Fletcher) The Child Care Protections for	Working Families Act
The f	ext is listed below or attached:	
r	e see attached.	
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	Signature of Sponsoring Supervisor:	

For Clerk's Use Only:

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