



Summary of Assembly Bill (AB) 131: Child Care Trailer Bill

July 2021

General

- Removes references to child care and development programs throughout, except for references that apply to the California State Preschool Program (CSPP).

Ratifies Bargaining Agreements with Child Care Providers Union

COVID-19 Provisions

- Continues “hold harmless” provisions for direct contractors through the 2021-22 year.
- Provides 16 additional paid non-operational days for alternative payment providers, for a total of 40 paid non-operational days in the 21-22 year.
- Extends child care for children of essential workers through June 30, 2022.
- \$80M for additional emergency vouchers for children of essential workers or children with special needs.
- Provides one-time stipends for child care workforce:
 - \$525 per child enrolled in a subsidized child care program, based on November, 2020 enrollment.
 - \$600 per child enrolled in a subsidized child care program, based on March, 2021 enrollment.
 - One-time stipend to all licensed child care facilities in the state, regardless of whether they serve subsidized children. Stipends range from \$3,500 per family child care home to \$6,500 for a large center serving 60 or more children. Recipients are expected to share a portion of the stipends with staff in the form of bonuses or incentive pay.

Family Child Care Providers

- \$289M to provide reimbursement rate supplements to family child care providers.
- \$40M in one-time funding to establish the Joint Child Care Providers United-State of California Training Partnership Fund, to expand and strengthen training opportunities for family child care providers and address the workforce needs of the State of California, as well as the career, knowledge, and skill aspirations of all family child care providers.
- \$3M to provide a one-time \$500 incentive payment to previously unlicensed individuals to obtain a family child care home license.

Reimbursement Rates

- Provides a cost of living increase of 4.05% to all subsidized child care providers.
- Provides that all license-exempt providers shall be reimbursed at 70 percent of the family child care rate.
- Shift to Single Reimbursement Rate System.
 - As of January 1, 2022, all contractors who receive the standard reimbursement rate (SRR) will receive the greater of the following:
 - The 75th percentile of the 2018 regional market rate survey.
 - The contract per-child reimbursement amount as of December 31, 2021.

- \$840M to support provider rate increases over three years.
- \$367M allocated for preschool rate increases over three years.
- \$189M allocated to provide reimbursement rate supplements for 24 months to center-based child care providers in order “to address inequities between the standard reimbursement rate and the regional market rate ceiling.”
- The State and Child Care Providers Union will form a Joint Labor Management Committee.
 - Purpose: recommendations for a single reimbursement rate structure that addresses quality standards for equity and accessibility while supporting positive learning and developmental outcomes for children.
 - Timeline: present recommendations to the Department of Finance no later than November 15, 2022, to inform the Governor’s proposed budget for the 2023–24 fiscal year, which will be presented to the Legislature by January 10, 2023.

Reimbursement Rates

- Sets new Standard Reimbursement Rate (SRR) at \$12,968 starting July 1, 2021.
- CDSS will form a Quality Standards Workgroup.
 - Purpose: to assess the methodology for establishing reimbursement rates and the existing quality standards for child care and development and preschool programs, including, but not limited to, licensing standards and regulations, for equity and accessibility to all provider types and settings.
 - Timeline: The workgroup shall, no later than August 15, 2022, provide recommendations, including, but not limited to, recommendations on how the State Department of Social Services should define child care workforce competencies and how these competencies would align with rate reform to the Joint Labor Management Committee, the Department of Finance, and the Joint Legislative Budget Committee.

Slots

- \$739M to fund additional slots in the Alternative Payment and General Child Care programs:
 - \$403M in 2021-22.
 - \$336M in 2022-23.

Family Fees

- Eliminates family fees until June 30, 2022.

Quality

- Directs the department of development standards for the implementation of quality programs. Indicators of quality are shall include, but are not limited to:
 - A physical environment that is safe and appropriate to the ages of the children and that meets applicable licensing standards.
 - Program activities and services that are age appropriate and meet the developmental needs of each child.

- Program activities and services that meet the cultural and linguistic needs of children and families.
- Family and community involvement.
- Parent education.
- Efficient and effective local program administration.
- Staff that possesses the appropriate and required qualifications or experience, or both. The appropriate staff qualifications shall reflect the diverse linguistic and cultural makeup of the children and families in the program. The use of intergenerational staff shall be encouraged.
- Program activities and services that meet the needs of children with exceptional needs and their families.
- Support services for children, families, and providers of care.
- Resource and referral services.
- Alternative payment services.
- Provision for nutritional needs of children.
- Social services that include, but are not limited to, identification of child and family needs and referral to appropriate agencies.
- Health services that include referral to appropriate agencies for services.

Dual Language Learners

- States that purpose of the law is:
 - to provide an inclusive, developmentally appropriate, and culturally and linguistically *responsive* preschool environment nurturing for all children in child care and development programs; and
 - to promote and support home language and development of multilingual capabilities to ensure all children attain their full potential.
- Implements a definition for Dual Language Learner: “Dual Language Learner children” means children whose first language is a language other than English or children who are developing two or more languages, one of which may be English.

Preschool Learning Development Guidelines

- Directs the Department of Education to consult with the Department of Social Services in order to update and maintain the preschool learning development guidelines.

Online Portal for Childcare and Development Services

- On or before June 30, 2022, the department shall develop and post on the department’s Internet Web site, for use by the general public, an online portal for California’s comprehensive child care and development services.

Other Programs

- \$25M allocated over two years to the existing Child Care Initiative Project (CCIP), which may be used to address child care deserts, including, but not limited to, where infant and toddler care has the greatest unmet need, and to support providers who have closed during the pandemic in reopening.

- \$10.6M allocated over two years to expand the California Inclusion and Behavior Consultation (CIBC) project to support the expertise, best practices, and well-being of child care providers in order to promote the health, safety, and well-being of the children and families they serve who are impacted by COVID-19.
- \$167M for the Inclusive Early Education Expansion Program over two years.

For access to the full bill text please visit:

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220AB131.

To review the California Department of Human Resources Summary of Collective Bargaining Agreement with Child Care Providers United-CA (CCPU) please visit:

www.calhr.ca.gov/Documents/Leg%20Summary%20-%20CCPU%20Tentative%20Agreement.pdf.