



Child Care and Development Bulletin 21-21: Regional Market Rate (RMR) Ceiling Changes

As of January 1, 2022, the Regional Market Rate (RMR) ceilings will be updated to be the greater of either of the following:

- A) The 75th percentile of the 2018 regional market rate survey for that region.
- B) The regional market rate ceiling that existed in that region on December 31, 2021.

Additionally, license-exempt child care providers shall be reimbursed at 70 percent of the family child care home ceiling. View the updated RMR ceilings [here](#).

In order to receive increased rates, providers must complete the American Rescue Plan Act (ARPA) survey. More details on the survey can be found [here](#).

Future Rate Reform Efforts

Joint Labor Management Committee

WIC Section 10280.2 requires the State of California to establish a Joint Labor Management Committee with the Child Care Providers United–California (CCPU) 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. The Joint Labor Management Committee must present its 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.

CDSS and CDE Workgroup

WIC Section 10280.2 requires the California Department of Social Services (CDSS), in consultation with the California Department of Education (CDE), to convene a working group separate from the Joint Labor Management Committee to assess the methodology for establishing reimbursement rates and the existing quality standards for child care and development and preschool programs. The workgroup must provide recommendations on how the CDSS should define child care workforce competencies

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and how these competencies would align with rate reform. The recommendations are due to the Joint Labor Management Committee, the Department of Finance, and the Joint Legislative Budget Committee no later than August 15, 2022.

Reimbursement Rate Supplements

Assembly Bill 131 allocated one-time funding to support family child care providers through reimbursement rate supplements. CCPU shall have discretion to determine how the funding may be used to supplement reimbursement rates, which may include, but not be limited to, monthly rate supplements for family child care providers or lump-sum bonuses. AB 131 also allocated one-time funding to address inequities between the two different reimbursement rate ceilings for center-based child care providers by providing reimbursement rate supplements, which shall be allocated over a twenty-four month period. In order to determine the rate distribution methodology, CDSS and CDE, in consultation with the Legislature, shall determine how the funding will be used to supplement reimbursement rates.

If you have any questions or need additional guidance regarding the information in this letter, contact the Child Care Policy and Development Bureau at (916) 657-2144 or by email at CCBP@dss.ca.gov.

For more details, view [Child Care and Development Bulletin 21-21](#).