



### SUMMARY

---

The bill would expand the childcare pilots statewide and allow all counties to access regulatory flexibilities that help providers maximize services to children and families.

### BACKGROUND

---

California established the Individualized County Childcare Pilot Plans (hereinafter the “childcare pilots”) starting in 2004 to test the benefits of amending state-imposed regulatory barriers that prevent early learning and care (ELC) providers from maximizing services to children and families<sup>i</sup>. Each of the 11 pilot counties<sup>ii</sup> chose flexibilities based on the unique needs of their community. Eight types of flexibilities were piloted, including: 24 month eligibility for care, increased reimbursement rates for ELC providers in high cost counties, higher income-eligibility cut-offs in high-cost counties, increased eligibility for families seeking housing, and greater flexibility to transfer funds between contracts.

The childcare pilot counties successfully demonstrated that these flexibilities created greater workforce stability, continuity of care for children, and supported working families. As a result, California has expanded many of the childcare pilot flexibilities to all counties in the state over the last several years.

### EXISTING LAW

---

The childcare pilots are scheduled to sunset in July 2023.

### PROBLEM

---

Although the childcare pilots successfully paved the way to eliminate certain state rules that hindered access to care, there are still many regulatory and programmatic barriers in place that will impede implementation of UPK and prevent establishment of mixed-delivery collaborations.

The childcare pilots created a space for ongoing collaboration and innovation between the counties and the state agencies who administer ELC programs. The pilots also granted state agencies the authority to authorize regulatory flexibility when there was demonstrated need. Without childcare pilots, this

collaborative space will disappear and the state agencies will no longer have the same discretion to explore innovative solutions to barriers that prevent children, families, and ELC providers from receiving and providing continuous high-quality care. In light of UPK implementation and the emphasis on supporting the mixed-delivery system, now would be a particularly inopportune time to end the kind of creative collaboration made possible by the childcare pilots.

### SOLUTION

---

The childcare pilot program demonstrated the value of a county-state collaborative approach to addressing regulatory barriers that limit access to childcare.

However, only a handful of counties were allowed to participate in the pilots. This bill would expand access to pilot flexibilities and streamline the approach by:

- Establishing a single statewide childcare pilot program open to all 58 counties. All counties could petition the state to create a new flexibility by demonstrating a barrier and need. All counties could apply to participate in new pilot flexibilities.
- Providing the state agencies’ (CDE and DSS) with authority to authorize new pilot flexibilities and the discretion to choose which counties can implement pilot flexibilities.
- Establishing a statewide childcare pilot subcommittee to propose, evaluate, and collect evidence to support the creation of new pilot flexibilities. The workgroup would be a subcommittee of the UPK Mixed Delivery Quality and Access Workgroup<sup>iii</sup> and would be led by CDE and DSS. Membership would be open to representatives from all counties.
- Instructing the statewide pilot subcommittee to determine whether the remaining pilot flexibilities should be extended to all 58 counties.<sup>iv</sup>
- Allow transition time for existing pilots to move to the new statewide approach.

### SUPPORT

---

- Santa Clara County Office of Education (Sponsor)

### FOR MORE INFORMATION

---

Eliza Brooks, Legislative Aide  
Eliza.Brooks@asm.ca.gov |(916) 319-2018

---

<sup>i</sup> Education Code Section 8275.

<sup>ii</sup> The authorized pilot counties are: Alameda, Contra Costa, Fresno, Marin, Monterey, San Benito, San Diego, Santa Clara, Santa Cruz, Solano, and Sonoma. Two of these counties, San Benito and Santa Cruz, have not established a pilot program. Two additional childcare pilots have been made permanent but no longer have the ability to negotiate flexibilities: San Francisco and San Mateo.

<sup>iii</sup> The UPK Mixed Delivery Quality and Access Workgroup was established in the 2022 Budget Act and can be found in Education Code Section 8202.6.

<sup>iv</sup> The current pilot flexibilities that have not yet been expanded statewide are: (1) additional hours of care for parents seeking housing or employment (and homelessness) (32.5 hours/week v. 30 hours/week); (2) ability to request transfer between providers any time of year (instead of 2x year); (3) 24 month eligibility for CalWORKS 2 and 3; and (4) full day CSPP certification at 120 days before enrollment.