

NOTICE OF PROPOSED CHANGES IN REGULATIONS OF THE
CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ITEM # 1 Stage One Child Care Regulations

CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held August 16, 2006, as follows:

August 16, 2006
Office Building # 9
744 P St. Auditorium
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail, or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on August 16, 2006.

CDSS, upon its own motion or at the instance of any interested party, may adopt the proposals substantially as described or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical, or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period, and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at <http://www.dss.cahwnet.gov/ord>. Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below.

Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below.

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CHAPTERS

Manual of Policies and Procedures, Division 47 (Transitional Child Care), Chapter 47-200 (Stage One Child Care Eligibility), Section 47-201 (Eligible Children); and Chapter 47-400 (Payment for Child Care Services), Section 47-401 (Child Care Payment Limits)

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

These regulations implement and make specific Senate Bill (SB) 68, Chapter 78, Statutes of 2005 which amended Section 8263.4 of the Education Code which states that the preferred placement of 11- or 12-year-old children is in a before or after school program. Current regulations do not specify the preferred placement of these children who are eligible for subsidized child care.

These regulations also implement SB 1104, Chapter 229, Statutes of 2004, which amended Sections 8263(b)(1) and (f) of the Education Code that state that a family receiving subsidized child care on the basis of a child receiving child protective services can receive child care services and an exemption from family fees for up to 12 months. Current regulations do not place a limit on the time period in which families may be exempt from paying a family fee for subsidized child care services.

The proposed regulations place time limits on the exemption from family fees for families with children at risk of abuse, neglect, and exploitation and for families with children receiving child protective services.

Current regulations specify that the maximum reimbursement rate ceiling for child care services is no more than 1.5 standard deviations above the average cost of care for the region where the child care is provided. The proposed regulations will change the maximum reimbursement rate to no more than 85 percent of the rates charged by providers offering the same type of child care for the same age child in that region. The amendments will be consistent with the California Department of Education (CDE) as required by the Budget Act of 2003, Chapter 157, Statutes of 2003, Item 6110-196-0001, Provisions 7(b) and (c).

Current regulations provide counties with the option to pay for child care during an excused absence. The proposed changes will eliminate this county option by requiring counties to reimburse providers for an ill child and for other excused absences as specified in Education Code Section 8208(e).

Education Code Section 8263(f) requires the Superintendent of Public Instruction to establish the family fee schedule. Education Code Section 8447(e) requires the CDE to adjust the family fee schedule annually. For clarity and ease of use, the proposed regulations make a nonsubstantive change in a handbook section by replacing the September 2000 family fee schedule with a reference to the regulations that support the provision which are found in the California Code of Regulations, Title 5, Division 1, Chapter 19, Subchapter 3, Article 5.

COST ESTIMATE

1. Costs or Savings to State Agencies: None. These activities are part of the counties' day-to-day case management activities which are reported to existing child care codes.
2. Costs to Local Agencies or School Districts: None.

3. Nondiscretionary Costs or Savings to Local Agencies: No additional costs or savings because this regulation makes only technical, non-substantive or clarifying changes to current laws and regulations. These activities are part of the counties' day-to-day case management activities.
4. Federal Funding to State Agencies: None. These activities are part of the counties' day-to-day case management activities which are reported to existing child care codes.

LOCAL MANDATE STATEMENT

These regulations impose a mandate on local agencies and school districts. There are no state-mandated local costs in these regulations which require state reimbursement under Section 17500, et seq. of the Government Code.

STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS

CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

SMALL BUSINESS IMPACT STATEMENT

CDSS has determined that there is no impact on small businesses as a result of filing these regulations because these regulations are only applicable to state and county agencies.

ASSESSMENT OF JOB CREATION OR ELIMINATION

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California.

STATEMENT OF EFFECT ON HOUSING COSTS

The proposed regulatory action will have no effect on housing costs.

STATEMENT OF ALTERNATIVES CONSIDERED

CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed action.

AUTHORITY AND REFERENCE CITATIONS

CDSS adopts these regulations under the authority granted in Sections 10553 and 10554 of the Welfare and Institutions Code. Subject regulations implement and make specific Sections 8208(e), 8263(b)(1) and (f), 8263.4, and 8357 of the Education Code and AB 1765, Budget Act of 2003, Chapter 157, Statutes of 2003, Provisions 7(b) and (c) of Item 6110-196-0001.

CDSS REPRESENTATIVE REGARDING RULEMAKING PROCESS OF THE PROPOSED
REGULATION

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