

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

ITEM # 1 CalWORKs Stage One Child Care Eligibility

The 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 December 14, 2011, as follows:

Office Building # 8  
744 P St. Room 103  
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 purpose of the hearing is to receive public testimony, not to engage in debate or discussion. 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 December 14, 2011.

Following the public hearing CDSS may thereafter adopt the proposals substantially as described below or may modify the proposals if the 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 (MPP) Division 47, Chapters 47-200 and 47-400.

### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

These regulation changes are being proposed as the result of the Fiscal Year 2011-12 Budget Trailer Bill Senate Bill (SB) 70. SB 70 added language to the Education Code that limits income eligibility for subsidized child care to 70 percent of the State Median Income (SMI). SB 70 continues language eliminating the family fee for current California Work Opportunity and Responsibility to Kids (CalWORKs) recipients.

The Manual of Policies and Procedures (MPP) currently includes language that allows former CalWORKs families to remain eligible for subsidized child care services if their income does not exceed 75 percent of the SMI. The language does not align with statute that limits income eligibility to 70 percent of the SMI. The proposed regulations would amend the MPP resulting in fewer former CalWORKs families that meet the income eligibility limits.

Currently, the MPP does not contain language that prohibits current CalWORKs recipients from being charged a family fee. According to statute, no family receiving CalWORKs cash aid may be charged a family fee. The MPP is not consistent with statute. The proposed regulations would amend the MPP to ensure that current recipients of CalWORKs cash aid are not being charged a family fee.

### COST ESTIMATE

1. Costs or Savings to State Agencies: **No fiscal impact exists to the CDSS budget for CalWORKs Stage One Child Care; however, it does affect other child care programs under the California Department of Education (CDE).**
2. Costs to Local Agencies or School Districts Which Must Be Reimbursed in Accordance With Government Code Sections 17500 - 17630: **None**
3. Nondiscretionary Costs or Savings to Local Agencies: **None**
4. Federal Funding to State Agencies: **No fiscal impact exists to the CDSS budget for CalWORKs Stage One Child Care; however, it does affect other child care programs under the California Department of Education (CDE).**

### LOCAL MANDATE STATEMENT

These regulations do not impose a mandate on local agencies or 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

The 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

The CDSS has made an initial determination that the proposed action will not affect small business because the proposed regulations do not create or eliminate child care provider business.

#### 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

The 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 as and less burdensome to affected private persons than the proposed action.

#### AUTHORITY AND REFERENCE CITATIONS

The CDSS adopts these regulations under the authority granted in Welfare and Institutions Code Sections 10553 and 10554. Subject regulations implement and make specific *Education Code Sections 8447(g) and 8263.1(a)*.

#### THE CDSS REPRESENTATIVE REGARDING THE RULEMAKING PROCESS OF THE PROPOSED REGULATION

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