



Contra  
Costa  
County

To: Board of Supervisors  
From: LEGISLATION COMMITTEE  
Date: June 9, 2015

Subject: AB 762 (Mullin) Day Care Centers: Integrated Licensing

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**RECOMMENDATION(S):**

ADOPT a "Support" position on AB 762 (Mullin), as amended: Day Care Centers: Integrated Licensing, a bill that directs the Department of Social Services (DSS) to create a single license for day care centers serving children from birth to kindergarten, as recommended by the Legislation Committee.

**FISCAL IMPACT:**

**FISCAL EFFECT:**

1) One-time costs to DSS in the range of \$210,000 to \$250,000 (GF) annually, in 2016 and 2017, assuming two full-time analyst positions and one part-time office assistant position, to staff and conduct the stakeholder meetings and meet other requirements of the regulatory process described in the bill. Additional potential costs for travel and per diem.

2) One-time costs to DSS in the range of \$100,000 to \$200,000 (GF) for regulatory and policy development due to the tight timeframe and complex nature of the proposed regulations.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **06/09/2015** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I  
Supervisor  
Candace Andersen, District II  
Supervisor  
Mary N. Piepho, District III  
Supervisor  
Karen Mitchoff, District IV  
Supervisor

ABSENT: Federal D. Glover, District V  
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 9, 2015

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: L. DeLaney,  
925-335-1097

cc:

3) Unknown, but potentially significant costs to DSS between January 1, 2018, and December 31, 2018, for case management workload to manually convert all license types to an integrated license as each license

### FISCAL IMPACT: (CONT'D)

becomes eligible for renewal. Additionally, the phase-in approach contained in the bill will require DSS to maintain parallel licensing and inspection structures during the year-long conversion process.

4) Unknown, but likely minor costs to DSS to educate and train staff for the fee renewal conversion process and on the new regulations for facility inspection purposes.

5) Potential fee increase for current providers. The bill, as written, creates a dual fee structure for providers with new applicants paying more than existing providers will pay to convert their existing license. The bill is silent on whether the lower fee for current providers will persist in future years or whether current providers will pay the higher fee charged to new applicants going forward.

6) Staff notes that the full extent of the implementation costs will not be known until the new regulations are developed.

Source: Assembly Appropriations Committee bill analysis

### BACKGROUND:

At its May 7, 2015 meeting, the Legislation Committee considered and accepted the recommendation from the Director of Community Service Bureau, Employment and Human Services to recommend a position of "Support" to the Board of Supervisors on AB 762.

Introduced: 02/25/2015

Last Amend: 04/08/2015

Disposition: Pending

Location: Assembly Appropriations Committee

Status: 05/28/2015 In ASSEMBLY Committee on APPROPRIATIONS.

SUMMARY: This bill directs the Department of Social Services (DSS) to create a single license for day care centers serving children from birth to kindergarten. Specifically, this bill:

1) Directs DSS, in consultation with stakeholders including the California Department of Education, to adopt regulations to develop and implement a single integrated license for a day care center serving children from birth to kindergarten by January 1, 2018.

2) Requires, during the period of January 1, 2018, to December 1, 2018, an existing day care license to be converted to a single integrated license upon annual renewal and that, prior to this conversion, a day care center licensee continue to meet regulatory requirements and inspection standards for the age groups of children receiving care in that center.

3) States that licensees shall not be required to pay an additional fee for this conversion to a single integrated license, other than the annual fee, and that a new applicant for a single integrated license may be charged a fee commensurate with the previous cost for dual licenses.

4) Directs day care centers with an optional toddler program to, beginning January 1, 2016, extend the toddler component to children up to three years old, and repeals the optional toddler program beginning January 1, 2018.

#### COMMENTS:

1) Purpose. According to the author, this bill "streamlines the bifurcated child care licensing system by creating a single license that reduces the administrative burden, removes the 'toddler component' option process, and aids centers in keeping child care slots filled by preventing the immediate movement of children based on their birthdate."

2) Background: The California Child Day Care Facilities Act governs the licensure and operation of child day care centers and family day care homes. This law, and adopted regulations, establish general health and safety requirements, staff-to-child ratios, and provider training requirements.

The Community Care Licensing Division (CCLD) of DSS is responsible for licensing and monitoring the state's 10,453 day care centers, which, as of June 30, 2014, provided 588,058 child care slots. CCLD is required to conduct unannounced site visits of all licensed child day care facilities and homes at least once every five years. CCLD also conducts annual visits of facilities with poor histories of compliance and those that are required to have yearly visits by federal law. Additionally, 30% of those facilities not required to be inspected yearly are randomly selected for annual inspection. The Governor's 2015-16 January budget proposal requires DSS to phase-in increased inspection frequency to once every three years starting January 2017, for all facilities, including child care facilities.

Infant centers serve children less than two years old, preschool child care centers serve children between the ages of two and when they start school, and school-age child care centers serve children who have entered the first grade or are in a child care program exclusively for children in kindergarten and above. A "combination center" is any combination of centers that is owned and operated by one licensee at a common address. In California, separate licenses are required for serving infants and for serving preschool-age children. Thus, owner/operators of combination centers serving both populations must get two licenses and undergo separate inspection and compliance processes for each license.

In addition, an optional toddler program is available to both centers that serve preschool-age children and centers that serve infants. These centers can create a special program component for children between the ages of 18 and 30 months; the program has its own staffing ratio and maximum group size requirements, but is considered an extension of the infant or preschool license and does not require a separate license.

CONSEQUENCE OF NEGATIVE ACTION:

Contra Costa County would not have a position on the bill.

ATTACHMENTS

Attachment A - Bill Text