

March 29, 2023

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

CHILD CARE BULLETIN NO. 23-08

The purpose of this Child Care Bulletin is to notify counties and child care and development contractors of the implementation of Assembly Bill (AB) 179, (Chapter 249, Statutes of 2022) regarding the distribution of flat-rate, one-time stipends to child care providers in the amount of \$1,442 per child enrolled in state-subsidized child care based on April 2022 enrollment data.



KIM JOHNSON
DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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GAVIN NEWSOM
GOVERNOR

March 29, 2023

CHILD CARE BULLETIN NO. 23-08

GUIDANCE TYPE: DIRECTIVE

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CHILD CARE COORDINATORS
ALL CHILD CARE AND DEVELOPMENT CONTRACTORS

SUBJECT: **IMPLEMENTATION OF ASSEMBLY BILL (AB) 179 (CHAPTER 249, STATUTES OF 2022), ONE-TIME, \$1,442 PER-CHILD STIPENDS FOR CHILD CARE PROVIDERS CARING FOR CHILDREN RECEIVING A STATE CHILD CARE SUBSIDY**

APPLICABLE PROGRAMS: CALIFORNIA ALTERNATIVE PAYMENT PROGRAMS
MIGRANT ALTERNATIVE PAYMENT PROGRAMS
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS) STAGES ONE, TWO, AND THREE
THE EMERGENCY CHILD CARE BRIDGE PROGRAM FOR FOSTER CHILDREN
GENERAL CHILD CARE AND DEVELOPMENT PROGRAMS
FAMILY CHILD CARE HOME EDUCATION NETWORKS
MIGRANT CHILD CARE AND DEVELOPMENT PROGRAMS
CHILD CARE AND DEVELOPMENT PROGRAMS FOR CHILDREN WITH SPECIAL NEEDS

REFERENCE: [ASSEMBLY BILL \(AB\) 179 \(CHAPTER 249, STATUTES OF 2022\);](#)
[CHILD CARE BULLETIN \(CCB\) NO. 21-19E](#)
[AMERICAN RESCUE PLAN ACT OF 2021 \(PUBLIC LAW 117-2\)](#)

Purpose

The purpose of this CCB is to notify counties and child care and development contractors of the implementation of Provision 8 of Section 146 of [Assembly Bill \(AB\) 179 \(Chapter 249, Statutes of 2022\)](#), signed by the Governor on September 6, 2022,

regarding the distribution of flat-rate, one-time stipends to child care providers in the amount of \$1,442 per child enrolled in specified state-subsidized child care and development programs in the month of April 2022. The stipends are meant to help with hardships caused by the COVID-19 pandemic.

Background

The public health crisis of COVID-19 has had a devastating effect on the child care industry. Many child care providers have closed their businesses permanently or temporarily due to health and safety concerns. For those who have been able to remain open or have re-opened, there are increased operational costs to keep children and staff safe, but often with reduced revenue due to capacity limitations.

Through AB 179, unused federal relief funds have been reappropriated to support subsidized child care providers, including centers, family child care homes, and license-exempt providers with financial relief due to the pandemic.

Guidance

Pursuant to AB 179, child care and development contractors and providers serving children receiving specified state-subsidized child care services will receive a flat-rate, one-time stipend in the amount of \$1,442 per child enrolled in April 2022. Payments are based on April 2022 801A enrollment data. For seasonal Migrant Child Care and Development Programs that did not operate in April 2022, stipends will be based on the most recent prior month of operation. Stipends will be issued in Fiscal Year 2022-2023.

The child care and development programs included in these stipends are:

- CalWORKs Stages One, Two (C2AP), and Three (C2AP),
- California Alternative Payment Program (CAPP),
- California Migrant Alternative Payment Program (CMAP),
- Migrant Child Development Programs (CMIG),
- General Child Care and Development Programs (CCTR),
- Family Child Care Home Education Networks (CFCC),
- Child Care and Development Services for Children with Special Needs (CHAN),
- Emergency Child Care Bridge Program for Foster Children (Bridge Program).

In February 2023, CDSS Fiscal sent email communications to all contractors requesting confirmation of April 2022 enrollment in preparation for stipend issuance. If you did not receive this communication, please reach out to childdevelopmentfiscal@dss.ca.gov, and include your vendor number.

The California Department of Social Services (CDSS) is in the process of contracting with the Foundation for California Community Colleges (FCCC) to issue and distribute the stipend funding to contractors. Alternative Payment Programs (APPs) shall issue individual payments to providers with whom they have an existing business relationship.

In counties where the Stage One and Bridge Programs are administered in-house by the county and where no business relationship exists between the Stage One/Bridge Program provider and an APP, FCCC shall issue stipend payments to those providers directly.

For child care centers that have undergone a change in ownership since April 2022, stipends are to be issued to the new center owner. American Rescue Plan Act (ARPA) stabilization funds are intended to stabilize the child care field, and the ARPA prohibits distributing funds to providers that are permanently closed.

Contractors administering the Bridge Program, CalWORKs Stage One, C2AP, C3AP, CAPP, CFCC, or CMAP shall provide the per-child stipends directly to child care providers. CCTR and CMIG contractors that enroll children cared for in a family child care home education network setting shall provide per-child stipends to those family child care home providers who served children in April 2022. Otherwise, CCTR, CMIG and CHAN contractors will retain the stipend allocation for COVID-19 pandemic relief.

Contractors who must distribute stipends to providers will receive an additional allocation equal to ten (10) percent of the stipend allocation for administrative costs. The one-time, per-child stipend amount that is issued from a contractor to a provider must not be reduced.

Where applicable, contractors should make every effort to distribute stipend payments to child care providers as soon as possible, but must do so within than forty-five (45) calendar days after receiving funding and confirming that the updated American Rescue Plan Act (ARPA) survey has been completed by the provider. Contractors that are unable to issue stipends to providers within this timeframe must notify their [Program Quality and Improvement Branch Consultant](#) to provide a reason for the delay. Contractors are encouraged to pay child care providers through electronic payments, such as direct deposit, for providers who prefer an electronic method of payment pursuant to [Welfare and Institutions Code \(WIC\) Section 10231.5\(a\)](#). Contractors in need of program-specific guidance about how to distribute stipends should email CCPB@dss.ca.gov for technical assistance.

Reporting Requirements

APPs, CFCCs, and CCTR and CMIG contractors that enroll children cared for in a family child care home education network setting must maintain records of stipend amounts issued to individual providers, as well as the dates the stipends are distributed. CDSS will be requesting this data for inclusion in the federal reporting forms due April 30, and July 31, 2023. Contractors must maintain records of this information and be able to submit it to CDSS upon request. The increased administrative allowance available for these stipends is intended, in part, to help support contractors in fulfilling these data requirements.

ARPA Survey Requirement

These stipends are being funded in part by [American Rescue Plan Act of 2021 \(Public Law 117-2\)](#) Child Care Stabilization funds. In accordance with federal requirements for Child Care Stabilization Grants appropriated pursuant to ARPA, direct-service contractors and providers who receive stipends must provide information via a survey before payments are distributed. The survey includes the following information:

1. Address, including zip code;
2. Race and ethnicity;
3. Gender;
4. Whether the provider/contractor is open and available to provide child care services or closed due to the COVID-19 public health emergency;
5. Use of federal funds received; and,
6. Documentation that the provider/contractor met certifications as required by federal law.

CDSS has created a dedicated [ARPA Survey Webpage](#) for child care providers and contractors. The CDSS ARPA Survey is available on the webpage in multiple languages at the following links:

- [American Rescue Plan Act Survey \(English\)](#)
- [American Rescue Plan Act Survey \(Spanish\)](#)
- [American Rescue Plan Act Survey \(Chinese\)](#)

The ARPA survey has been revised to meet federal requirements; please see [CCB No. 21-19E](#) for detailed information. All providers who have received any ARPA Stabilization funds must complete the revised survey, even if they already completed and submitted the previous version. In addition, all providers eligible for stipends pursuant to AB 179 must submit an ARPA survey before payment can be made.

If you have any questions or need additional guidance regarding the stipends, please access the [Subsidized Child Care Stipend webpage](#). For questions regarding the information in this letter, contact the Child Care and Policy Development Bureau at (916) 657-2144, or at CCPB@dss.ca.gov.

Sincerely,

Original Document Signed By

LUPE JAIME-MILEHAM, EdD
Deputy Director
Child Care and Development Division