

CALIFORNIA DEPARTMENT OF HUMAN RESOURCES SUMMARY OF COLLECTIVE BARGAINING AGREEMENT WITH CHILD CARE PROVIDERS UNITED-CA (CCPU)

General Provisions

This is the first agreement between the parties in accordance with the Building a Better Early Care and Education System Act (Building a Better Early Care and Education System Act, Ed. Code, § 8430 et seq.).

I. Rates, Fees, and Reimbursements

Upon the implementation to a new authorized reimbursement rate, a provider shall be afforded the opportunity to update their rate sheet. Updated rates shall be effective within sixty (60) days of their submission.

Rates For licensed family childcare providers

- Emergency Stabilization Rate: Starting January 1, 2022, and through June 30, 2023, the State of California shall increase the current Regional Market Rate ceilings as established in Education Code Section 8357 and as applicable to alternative payment programs pursuant to Article 3 (commencing with Section 8220) of, and CalWORKs child care pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, and the Emergency Child Care Bridge Program for Foster Children pursuant to Article 6 (commencing with Section 11461.6) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, as those sections read on May 15, 2021, from their current level at the 75th percentile of the 2016 Regional Market Rate survey or the regional market rate ceiling that existed in that region on December 31, 2017, whichever is greater, to the 75th percentile of the 2018 Regional Market Rate survey for that region, including hourly, daily, weekly, and monthly, for both full- and part-time reimbursement categories.
 - Rate Hold Harmless: Should this change result in a lower rate in any category for any licensed family childcare provider, the provider will continue to be reimbursed at the rate that existed on December 31, 2021.
- For migrant child care and development programs pursuant to Article 6 (commencing with Section 8230) of, California state preschool programs pursuant to Article 7 (commencing with Section 8235) of, general child care and development programs pursuant to Article 8 (commencing with Section 8240) of, family child care home education networks pursuant to Article 8.5 (commencing with Section 8245) of, or child care and development services for children with special needs pursuant to Article 9 (commencing with Section 8250) of, Chapter 2 of Part 6 of Division 1 of Title 1 of the Education

Code, as these sections read on May 15, 2021, who currently receive the rate established in Education Code Section 8265, as it read on May 15, 2021: Commencing January 1, 2022, and through June 30, 2023, the reimbursement rate shall be set at the greater of the 75th percentile of the 2018 regional market rate survey or the per-child reimbursement amount as of December 31, 2021.

- For migrant child care and development programs pursuant to Article 6 (commencing with Section 8230) of, California state preschool programs pursuant to Article 7 (commencing with Section 8235) of, general child care and development programs pursuant to Article 8 (commencing with Section 8240) of, family child care home education networks pursuant to Article 8.5 (commencing with Section 8245) of, or child care and development services for children with special needs pursuant to Article 9 (commencing with Section 8250) of, Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, as these sections read on May 15, 2021, who currently receive the rate established in Education Code Section 8265, as it read on May 15, 2021: Commencing July 1, 2021, these programs shall receive a cost of living adjustment to the reimbursement rates of 4.05 percent for the 2021-22 fiscal year, which would take the place of the cost of living adjustment specified in Education Code Section 42238.1 for the 2021-22 fiscal year.

Rates For license-exempt family childcare providers

- Starting January 1, 2022, and through June 30, 2023, license-exempt family childcare provider rates shall be increased from up to 70 percent of the licensed family daycare home rate established pursuant to the 75th percentile of the 2016 regional market rate survey, to 70 percent of the licensed family daycare home rate established pursuant to the 75th percentile of the 2018 regional market rate survey for that region or the regional market rate ceiling that existed in that region on December 31, 2017, whichever is greater, including hourly, daily, weekly, and monthly, for both full- and part-time reimbursement categories

Supplemental Rate Funding

- Effective January 1, 2022, the state will appropriate one-hundred forty-four million and five-hundred thousand dollars (\$144,500,000) per fiscal year, a total of two-hundred eighty-nine million dollars (\$289,000,000) over the term of 24 months from January 1, 2022, to be used as an upfront down payment and ongoing investment in addressing equity in, and increasing, reimbursement rates for all childcare providers covered by this Agreement and as anticipated in the Rate and Quality Systems Structure Review section of this Agreement. Use of the funding may be for monthly rate adjustments or lump bonuses at the discretion of CCPU. The methodology established by CCPU with technical assistance by the state to determine use of this funding

shall be subject to review and approval by the state to ensure it is feasible to implement.

Adjustment Factors Posting:

- The adjustment factors, along with the reimbursement rate categories contained in 5 CCR § 18075, shall be posted on the state-administered websites that list RMR ceilings.

Rate and Quality Structure Review

- The State and CCPU shall establish a JLMC to create a single reimbursement rate structure that addresses quality standards for equity and accessibility to all family childcare providers and supports positive learning and developmental outcomes for children, and further the progress made with the Supplemental Rate Funding. The new rate structure shall be presented to the Department of Finance for inclusion in the Governor's Proposed Budget presented to the Legislature by January 2023. The new rate structure would thereafter be adjusted through collective bargaining.

II. Other Economics

Incentive to Retain Licensed Providers

- The State shall appropriate three million one hundred and sixty thousand dollars (\$3,160,000) one-time for the purpose of providing incentive payments to family child care providers who become and remain licensed, on or after June 28, 2021, and has maintained an active license for twelve (12) consecutive months, such provider shall receive a one-time incentive payment in the amount of five hundred dollars (\$500).

Joint Training Fund

- The State shall appropriate one-time forty million dollars (\$40,000,000) for this purpose upon the ratification of this Agreement to establish the Joint CCPU/State of California Training and Education Partnership Fund (the "Fund") for the purpose of creating a program for addressing the workforce needs of the state of California as well as the career, knowledge, and skill aspirations of all family childcare providers. Allocated funding must be liquidated by September 30, 2022; any unliquidated funds as of September 30, 2022, shall revert to the State for investment in existing workforce pathways or professional development projects.

III. General Contract Provision

Preamble

- Defines the parties to the agreement as the State of California and Child Care Providers United-California (CCPU).

Recognition

- Pursuant to the Public Employment Relations Board Certification SA-PC-1-N, the State recognizes Child Care Providers United (CCPU) as the certified provider organization.
- Pursuant to Education Code section 8435 and Government Code section 19815.4, subdivision (i), CCPU recognizes the Director of the California Department of Human Resources or their designee as the Governor's designated representative.

Preservice Meetings and Orientations

- The state shall notify the Child Care Providers United (CCPU) at least 10 days prior when possible or as soon as a meeting or orientation is scheduled. CCPU shall be provided access to the entirety of all online or in-person preservice meetings or orientations for family childcare providers. Such CCPU access shall include, and not be limited to, the ability to make a presentation about CCPU and its activities, its negotiations and memorandum of understanding, and membership. There shall be a minimum of thirty (30) minutes provided for the CCPU presentation. The entities conducting pre-service meetings and orientations are encouraged to consider scheduling CCPU toward the middle of the orientations to maximize CCPU-attendee participation.
- Upon completion of any online or in-person preservice meetings and orientations, CCPU shall be provided with a list of providers who attended such meetings or orientation trainings in the event a preservice meeting or orientation is scheduled for current providers. For preservice meetings or orientations held for prospective providers, CCPU shall be provided with a list of attendees unless an individual has requested not to have their information shared with CCPU.

State's Rights

- All State rights and functions, except those which are expressly abridged by this Agreement, shall remain vested with the State. Nothing in this MOU is intended to change or interfere with the requirements governing licensing or enforcement thereof set forth in the California Child Day Care Facilities Act (Chapter 3.4 (commencing with Section 1596.70), Chapter 3.5 (commencing

with Section 1596.90), and Chapter 3.6 (commencing with Section 1597.30) of Division 2 of the Health and Safety Code) and California Code of Regulations (Title 5). Nothing in this MOU is intended to interfere with the ability of the State, the State Department of Education, the State Department of Social Services, another department or agency, or a political subdivision of the State to comply with the requirements of federal grants or federal funding.

No Strike

- During the term of this Agreement, neither CCPU, including its agents and staff, nor any family childcare provider, for any reason, will authorize, instigate, institute, aid, condone, or engage in a work slowdown, work stoppage, strike, sympathy strike, unfair labor practice strike, or any other interference with state-subsidized child care.

No Reprisals

- The parties agree that the state, any political subdivision, contractor, or subcontractor charged with the administration of a state-funded early care and education program shall not interfere with, intimidate, retaliate, restrain, coerce or discriminate against any family childcare provider because of the exercise of the provider's rights granted pursuant to this Agreement, and the Building a Better Early Care and Education System Act.

Entire Agreement & Addenda

- This Agreement sets forth the full and entire understanding of the parties regarding the matters contained herein, and any other prior or existing understanding or agreement by the parties, whether formal or informal, regarding any such matters are hereby superseded. Except as provided in this Agreement, it is agreed and understood that each party to this Agreement voluntarily waives its right to negotiate with respect to any matter raised in negotiations or covered by this Agreement, for the duration of the Agreement.
- This agreement incorporates the COVID-19 Relief Agreements dated February 5, 2021 and April 19, 2021 into this agreement as an addendum.

Savings Clause

- Should any provisions of this Agreement be found unlawful by a court of competent jurisdiction or be invalidated by subsequently enacted legislation, the remainder of the Agreement shall continue in full force and effect. Upon the invalidation of any provision of this Agreement by such court decision or legislation, the parties shall meet as soon as practicable to attempt to renegotiate the terms of the invalidated provision(s).

Legislation

- CCPU will notify CalHR of any legislation that it sponsors which, to its knowledge, has an effect on this Agreement. CalHR will notify the Union of any legislation CalHR, the State Superintendent of Public Instruction at the California Department of Education, or the California Department of Social Services sponsors which, to its knowledge, has an effect on this Agreement. These notifications shall occur after introduction of an applicable bill by the Legislature.

Individual Agreements

- The State shall not negotiate with or enter into memoranda of understanding with one or more family childcare providers, amend final grievance responses, or grant rights or benefits not covered in this Agreement to any family childcare provider unless such action is with CCPU concurrence.

Provider Information

- The State will provide the Union with a list of Family Childcare Providers electronically on a monthly basis by the fifth (5th) business day of each month. Such list will include specifically delineated information.

Non-Discrimination

- The parties agree that a state agency or department charged with the administration of any state-funded early care and education program will not discriminate against a family childcare based on any protected category under the law.
- This section shall not be subject to the Grievance and Arbitration Procedure of this Agreement.
- Alleged violations of this section may be brought to the Joint Labor Management Committee provided for in this agreement to assess, if any, inequitable impacts of the policies and practices of a state-funded early care and education program.

Grievance and Arbitration Procedure

- Establishes a contract dispute resolution process.

IV. Miscellaneous

The following Joint Labor Management Committees are established:

- Capacity - will review issues related to addressing child care deserts and meeting the additional child care capacity necessary to serve families as

California increases subsidized child care investment in part by exploring topics related to the maximum number of children for whom a licensed family childcare provider is authorized to provide care, also known as “licensed capacity.

- Dues Deduction - will explore and determine a process by which membership dues may be automatically deducted and remitted to CCPU.
- General - will address issues of mutual concern in a problem-solving context.
- Health Benefits – will discuss access to quality affordable healthcare benefits for all CCPU bargaining unit members. The committee shall attempt to make recommendations.
- Payment Timeliness and Referral Process – will work towards joint recommendations to address improving the referral process, providing payment information to providers, improvements to timely, regular and accurate payment, and a faire resolution for overpayment issues.
- Paid Time Off – will discuss access to meaningful Paid Time Off for all CCPU bargaining unit members to ensure providers have access to meaningful paid time off so they can rest and recover from illness when necessary.
- Retirement Benefits – will discuss access to retirement benefits for all CCPU bargaining unit members.
- Suspension and Expulsion – will discuss the suspension and expulsion practices among family childcare providers and make recommendations for potential changes related to prohibiting the expulsion or suspension of a child by a family childcare provider, including access to sufficient resources and/or training for providers and parents to work with all children.

V. Duration

- The date of full ratification through July 1, 2023

VI. Fiscal

- Fiscal Year 2021-22: \$793.2 million
- Fiscal Year 2022-23: \$1,184.6 million

VII. Agreement

- The complete Tentative Agreement between the state and CCPU is posted at: <https://www.calhr.ca.gov/Pages/childcare-providers-labor-relations.aspx>