

June 19, 2025

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

CHILD CARE BULLETIN (CCB) NO. 25-16

The purpose of this Child Care Bulletin (CCB) is to provide guidance to counties and child care and development contractors regarding the revised family fee schedule for Fiscal Year (FY) 2025-26.



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DIRECTOR

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GAVIN NEWSOM
GOVERNOR

June 19, 2025

CHILD CARE BULLETIN (CCB) NO. 25-16

GUIDANCE TYPE: INFORMATIVE

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

SUBJECT: **REVISED FAMILY FEE SCHEDULE FOR FISCAL
YEAR (FY) 2025-26**

APPLICABLE PROGRAMS: ALTERNATIVE PAYMENT PROGRAMS (CAPP);
MIGRANT ALTERNATIVE PAYMENT PROGRAMS (CMAP);
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY
TO KIDS (CALWORKS) STAGES ONE, TWO (C2AP), AND
THREE (C3AP);
GENERAL CHILD CARE AND DEVELOPMENT PROGRAMS
(CCTR);
FAMILY CHILD CARE HOME EDUCATION NETWORKS (CFCC);
MIGRANT CHILD CARE AND DEVELOPMENT PROGRAMS
(CMIG);
CHILD CARE AND DEVELOPMENT PROGRAMS FOR
CHILDREN WITH SPECIAL NEEDS (CHAN)

REFERENCE: [AB 116 \(CHAPTER 41, STATUTES OF 2023\)](#)
[WELFARE AND INSTITUTIONS CODE \(WIC\) SECTION 10271.5](#)
[WIC SECTION 10271.6\(c\); WIC SECTION 10271\(h\);](#)
[WIC SECTION 10290\(b\)\(c\); WIC SECTION 10291\(a\);](#)
[WIC SECTION 10291\(b\); WIC SECTION 10362\(b\)\(3\)\(B\).](#)
[WIC SECTION 10290\(e\)\(2\)\(B\). WIC SECTION 10290\(g\)](#)
[WIC SECTION 10351\(b\)\(3\)\(B\); WIC SECTION 10362\(b\)\(1\);](#)

TITLE 5 OF THE CALIFORNIA CODE OF REGULATIONS
(CCR) SECTION 18110(c); 5 CCR SECTION 18082.3(b);
5 CCR SECTION 18109; 5 CCR SECTION 18085.5;
5 CCR SECTION 18083.1; 5 CCR SECTION 18084;
5 CCR SECTION 18084.1; 5 CCR SECTION 18114;
CHILD CARE BULLETIN (CCB) NO. 22-14; CCB NO. 23-22;
FY 2025-26 FAMILY MONTHLY FEE SCHEDULE

Purpose

The purpose of this Child Care Bulletin (CCB) is to provide guidance to counties and child care and development contractors regarding the revised Family Fee Schedule that will become effective July 1, 2025.

Background

[Welfare and Institutions Code \(WIC\) Section 10271.5\(c\)](#) requires the Department of Finance (DOF) to update the State Median Income (SMI) annually. Under [WIC Section 10290](#), the California Department of Social Services (CDSS) must establish a family fee schedule for families receiving child care and development services based on the most recent census data available on state median family income in the past 12 months, adjusted for family size, and subject to the approval of DOF. [WIC Section 10290\(b\)\(c\)](#) further requires that the family fee schedule differentiate between full-time care fees and part-time care fees and that families be assessed a single flat monthly fee that is not based on actual attendance. Assessment of the monthly fee is based on the following factors under [WIC Section 10290\(c\)](#) and [WIC Section 10271.5\(c\)](#).

- Hours of certified family need for child care as documented on the application for services
- The family's adjusted monthly income
- Family size

[AB 116](#), signed by the Governor on July 10, 2023, amended [WIC Section 10290](#) to authorize the following changes, which continue to be in effect:

1. Family fees shall not be based on the cost of care or the amount of subsidy payment.
2. Commencing October 1, 2023, both of the following apply:
 - a. Family fees shall not exceed 1 percent of the family's adjusted monthly income, and
 - b. A family with an adjusted monthly family income below 75 percent of the state median income shall not be charged or assessed a family fee.
3. Family fees accrued but uncollected before October 1, 2023, may be forgiven and not collected.

4. A child care provider serving children receiving state child care subsidies shall not absorb a reduction in pay because of a reduction in the collection of family fees.
5. Child care contracted spaces and vouchers shall not be reduced because of a reduction in the collection of family fees.

Guidance

Effective July 1, 2025, counties and child care and development contractors must use the current [FY 2025-26 Family Fee Schedule](#) when assessing fees for the following CDSS programs:

- Alternative Payment Programs (CAPP)
- Migrant Alternative Payment Programs (CMAP)
- Migrant Child Care and Development Programs (CMIG)
- General Child Care and Development Programs (CCTR)
- Family Child Care Home Education Networks (CFCC)
- California Work Opportunity and Responsibility to Kids (CalWORKs) Stages One, Two (C2AP), and Three (C3AP)

Additionally, family fees must be assessed at the following times:

- At initial certification.
- At recertification.
- When a family voluntarily reports a change that may reduce their family fees.

Family Fee Exemptions

- Families with children who are receiving Child Protective Services may be exempt from paying a family fee for 12 months, [WIC Section 10291\(a\)](#).
- Families receiving CalWORKs cash aid, [WIC Section 10291\(b\)](#).
- Families receiving Child Care and Development Services for Children with Special Needs (CHAN) [5CCR Section 18110\(d\)](#).
- Families eligible for child care based on “experiencing homelessness” are exempt from paying family fees in counties where approved policy flexibilities are in place to supersede state law. [WIC Section 10351\(b\)\(3\)\(B\)](#), [WIC Section 10362\(b\)\(3\)\(B\)](#).
- Families eligible for child care based on “experiencing homelessness” are exempt from paying family fees in counties where approved policy flexibilities are in place to supersede state law [WIC Section 10351\(b\)\(3\)\(B\)](#).
- Effective October 1, 2023, a family with an updated monthly family income below 75 percent of the state median family income pursuant to [WIC Section 10290\(e\)\(2\)\(B\)](#).

Families who were certified based on an eligibility criterion other than income and who are not exempt from fees as described above are required to be assessed a family fee.

Families who are certified and eligible based on a criterion other than income, and whose incomes are higher than any income represented on the annual family fee schedule, shall be required to pay the highest fee rate on the chart for their family size.

Calculating Family Fees at Initial Certification

At initial certification, contractors must determine whether the family will be assessed a fee, in accordance with [5 CCR Section 18109.5](#).

- For newly enrolled families, contractors will assess fees using the total monthly certified need as documented under [5 CCR Section 18085.5](#).
- When assessing family fees for families with income fluctuation, pursuant to [WIC Section 10271.6\(c\)](#), contractors shall allow a family to choose to provide up to the 12 preceding months of income information as necessary for purposes of determining income eligibility or calculating a family fee. The adjusted monthly income shall be determined by averaging the total countable income from at least two months to determine the average adjusted monthly income for purposes of determining income eligibility or calculating a family fee.

When the initial enrollment is not on the first day of the month, the contractor must assess a fee based on the certified hours for the partial month and another fee for subsequent months based on the certified need as documented in the application for services. For example, a family works full-time, and their initial enrollment date is May 20. For the month of May, the family will utilize fewer than 90 hours. In this example, the family will be assessed a part-time fee for May and a full-time fee for each subsequent month of service.

Recalculating Family Fees at Recertification

All families will have their family fees reassessed during the recertification process. [WIC Section 10290\(g\)](#) and [5 CCR Section 18082.1](#). A family shall be recertified for no less than every 24 months, [WIC Section 10271\(h\)](#).

Contractors will continue to assess fees for families with a predictable schedule using the total monthly certified need as documented in accordance with [5 CCR Section 18085.5](#).

For families with variable or unpredictable work schedules, the contractor will reassess the fee by using the provided documentation to identify the highest number of actual hours worked within any given week and use that as the basis for approving the certified schedule on the application for services. [WIC Section 10271.6\(c\)](#) allows families

experiencing income fluctuation to choose to provide up to the 12 preceding months of income information as necessary for the purposes of determining income eligibility or calculating family fees. The adjusted monthly income shall be determined by averaging the total countable income from at least two months, as applicable based on the income provided, to determine the average adjusted monthly income for purposes of determining income eligibility or calculating a family fee.

A Notice of Action (NOA) must be issued upon recertification, which may include a change in the family fee. Changes in fees take effect as follows:

- If a decreased family fee is assessed, the fee will become effective on the first day of the month after the NOA is issued.
- If a new or increased family fee is assessed, the fee will become effective on the first day of the month after the appeal request period has expired.
 - Families have an opportunity to appeal their family fee assessment within 14 calendar days of the date the NOA is issued, assuming it is hand delivered to the parent, or within 19 calendar days of issuance if served by mail.
 - If an appeal is filed, the new fee will not be implemented until the first day of the month after the appeal process is exhausted. The reassessed fee must be collected monthly.
 - During the appeal process, families shall continue to receive child care services.

Although it is recommended that counties notify families when there is a change in family fees, this guidance on NOAs for family fees does not apply to CalWORKs Stage One program.

As a reminder, family fees cannot be increased for any reason during the eligibility period; therefore, if a family requests a reduction in services but the documentation provided would result in an increase, the contractor must disregard the information and leave the current fee in place.

The California Department of Social Services (CDSS) Child Care and Development Division (CCDD) has updated the Child Care Family Fee [Calculator](#) that can be used to calculate family fees during initial certification and recertification of families receiving subsidized child care.

Families Assessed a Family Fee Utilizing the FY 2025-26 Family Fee Schedule

For families who were assessed a family fee utilizing the [FY 2025-26 Schedule](#), and the new family fee schedule yields a lesser amount, contractors shall decrease the family's fee as applicable and issue a NOA. For those families whose fees would increase due to the new schedule, no changes should be made to their fee assessment until a family is recertified. When the fees increase due to recertification, a NOA shall be issued pursuant to [5 CCR Section 18119](#).

Contractor Policies on Family Fee Collection

Contractors are reminded of the requirements of [5 CCR 18114](#), to have policies in place that clearly communicate to parents the due date for payment of fees to ensure collection of fees in advance of providing services, delinquent fees processes, and required notifications due to fee collection effective October 1, 2023. This section does not apply to CalWORKs Stage One Child Care.

For fiscal-related questions, please email the Child Development Fiscal Services inbox at ChildDevelopmentFiscal@dss.ca.gov. If you have any questions or need additional guidance regarding the information in this letter, please contact your [Program Quality Improvement \(PQI\) Consultant](#).

Sincerely,

Original Document Signed By

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