CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

CHILD CARE BULLETIN (CCB) NO. 25-17

The purpose of this Child Care Bulletin (CCB) is to notify counties and child care and development contractors of the revised Schedule of Income Ceilings and Income Ranking Table to be used to determine a family's income eligibility for state-subsidized child care and development programs for Fiscal Year (FY) 2025-26.



CALIFORNIA HEALTH & HUMAN SERVICES AGENCY **DEPARTMENT OF SOCIAL SERVICES**

744 P Street • Sacramento, CA 95814 • www.cdss.ca.gov



June 24, 2025

CHILD CARE BULLETIN (CCB) NO. 25-17

GUIDANCE TYPE: DIRECTIVE

TO: ALL COUNTY WELFARE DIRECTORS

ALL COUNTY CHILD CARE COORDINATORS

ALL CHILD CARE AND DEVELOPMENT CONTRACTORS

SUBJECT: REVISED STATE MEDIAN INCOME (SMI) CEILINGS AND

INCOME RANKING TABLE FOR FISCAL YEAR (FY) 2025-26

APPLICABLE

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) CHILD CARE AND DEVELOPMENT SERVICES FOR CHILDREN

WITH SEVERE DISABILITIES (CHAN)

CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS) STAGES ONE, TWO (C2AP), AND THREE

(C3AP)

REFERENCE: ASSEMBLY BILL (AB) 321 (CHAPTER 903, STATUTES OF 2022);

WELFARE AND INSTITUTIONS CODE (WIC) SECTIONS 10271;

WIC SECTION 10271.5

TITLE 5 OF THE CALIFORNIA CODE OF REGULATIONS

(5 CCR) SECTION 18078(a):

5 CCR SECTION 18081; 5 CCR SECTION 18084(c);

5 CCR SECTION 18092:

CHILD CARE BULLETIN (CCB) NO. 23-04;

CCB NO. 23-06; CCB NO. 23-16;

FISCAL YEAR (FY) 2025-26 INCOME RANKING TABLE

Purpose

The purpose of this Child Care Bulletin (CCB) is to notify counties and child care and development contractors of the revised Schedule of Income Ceilings reflecting the State Median Income (SMI) and Income Ranking Table for Fiscal Year (FY) 2025-26. The updated Schedule of Income Ceilings is applicable to all direct service and voucher-based child care and development contracts administered by the California Department of Social Services (CDSS). The updated Schedule of Income Ceilings is used to determine a family's income eligibility for state subsidized child care and development programs for FY 2025-26. The updated Income Ranking Table is used to determine an income-eligible family's priority for enrollment in a state subsidized child care and development program for FY 2025-26.

Background

In accordance with <u>WIC Section 10271.5(c)</u>, the California Department of Finance annually recalculates the SMI based on the most recent census data and, pursuant to a specified formula, provides updated data to CDSS.

Guidance

Schedule of Income Ceilings

The following Schedule of Income Ceilings must be used in determining income eligibility for families initially certified or recertified on or after July 1, 2025. For more information regarding eligibility priorities, see <u>WIC Section 10271(b)</u>.

State Fiscal Year 2025-26 Schedule of Income Ceilings (85 percent of SMI)

Family Size	Family Monthly Income	Family Annual Income
1-2	\$6,860	\$82,326
3	\$7,785	\$93,418
4	\$9,020	\$108,237
5	\$10,463	\$125,555
6	\$11,906	\$142,873
7	\$12,177	\$146,120
8	\$12,447	\$149,367
9	\$12,718	\$152,615

Family Size	Family Monthly Income	Family Annual Income
10	\$12,988	\$155,862
11	\$13,259	\$159,109
12	\$13,530	\$162,356

Source: 2023 American Community Survey (ACS) Public Use Microdata Sample File

Note: SMI ceilings are calculated by multiplying the SMI for a family of four by the ratio for the appropriate family size used in the federal Low-Income Home Energy Assistance Program and specified in paragraphs (5), (6), and (7) of subdivision (b) of Section 96.85 of Title 45 of the Code of Federal Regulations. For purposes of determining initial and ongoing income eligibility, WIC Section 10271.5 defines "income eligible" as when a family's adjusted monthly income is at or below 85 percent of the SMI, adjusted for family size. Please see 5 CCR Section 18078(a) for the definition of "adjusted monthly income".

Existing Enrollment and Priority Policy

The CDSS requires the use of an Income Ranking Table to determine enrollment priorities for income-eligible families. Contractors are required to enroll families into child care and development programs in priority order. WIC section 10271(b)(1) states, in pertinent part, "first priority shall be given to neglected or abused children who are recipients of child protective services, or children who are at risk of being neglected or abused, upon written referral from a legal, medical, or social services agency."

WIC Section 10271(b)(2) states that the second priority for enrollment is for income-eligible families, with families who have "the lowest gross monthly income in relation to family size" receiving the highest priority. This section further states that if "two or more families are in the same priority in relation to income, the family that has a child with exceptional needs shall be admitted first. If there is no family of the same priority in which the primary home language is a language other than English, the family of the same priority that has been on the waiting list for the longest time shall be admitted first." Determining the order of admission, grants of public assistance recipients shall be counted as income."

For contractors to identify families' home language for prioritization purposes, they must include a question on the waiting list application to determine if a family's home language is a language other than English. Contractors shall communicate with families in the language families are most comfortable speaking and use available resources, such as language translation services, to do so.

For families who are eligible based on having a member of their household who is certified to receive benefits from Medi-Cal, CalFresh, the California Food Assistance Program, the California Special Supplemental Nutrition Program for Women, Infants, and Children, the federal Food Distribution Program on Indian Reservations, Head Start, Early Head Start, or CalWORKs, contractors must prioritize the family by the income declared on the application for the means-tested government program. (See WIC Section 10271(a)(1)(A) and CCB No. 23-04).

Income Ranking Table

Effective July 1, 2025, contractors must use the revised <u>FY 2025-26 Income Ranking</u> Table when determining enrollment priorities for families.

If you have any questions or need additional guidance regarding the information in this letter, contact your assigned Child Care and Development Division (CCDD) PQI Branch Child Development Consultant.

Sincerely,

Original Document Signed By

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