

CONSENT

Bill No: SB 902
Author: Grayson (D), et al.
Amended: 3/3/26
Vote: 21

SENATE HUMAN SERVICES COMMITTEE: 5-0, 4/6/26
AYES: Becker, Ochoa Bogh, Laird, Pérez, Weber Pierson

SENATE JUDICIARY COMMITTEE: 12-0, 4/14/26
AYES: Umberg, Niello, Allen, Ashby, Caballero, Durazo, McNerney, Reyes,
Stern, Wahab, Weber Pierson, Wiener
NO VOTE RECORDED: Valladares

SUBJECT: Childcare: electronic signatures

SOURCE: Thriving Families California

DIGEST: This bill (1) clarifies that an electronic signature in compliance with the Uniform Electronic Transactions Act may satisfy a signature required by the Child Care and Development Services Act; (2) authorizes documents with an electronic signature to be created and stored in an electronic format in compliance with the Uniform Electronic Transactions Act and (3) authorizes the California Department of Social Services (CDSS) to adopt regulations to implement this bill.

ANALYSIS:

Existing law:

- 1) Establishes the Child Care and Development Services Act to provide a comprehensive, coordinated, and cost-effective system of child care and development services for children from infancy to 13 years of age and their parents, including a full range of supervision, health, and support services through full- and part-time programs. (Welfare and Institutions Code [WIC] § 10207 et seq.)

- 2) Defines “alternative payment program” (APP) as a local government agency or nonprofit organization that has contracted with CDSS to provide alternative payments and to provide support services to parents and providers. (WIC § 10213.5(b))
- 3) Requires providers authorized to provide child care services to submit to an APP a monthly attendance record or invoice for each child who received services that, at a minimum, documents the dates and actual times care was provided each day, as specified, and requires this information to be documented on a daily basis. (WIC § 10227.5(a))
- 4) Requires the monthly attendance record or invoice to, at a minimum, be signed by the parent or guardian of the child receiving services and the child care provider once per month. Requires the verification of attendance be made by signature at the end of each month of care and under penalty of perjury by both the parent or guardian and the child care provider. (WIC § 10227.5(b)(1))
- 5) Authorizes a child care provider to submit a monthly attendance record or invoice without a parent’s signature when the parent has not communicated with the provider for a minimum of seven consecutive days, the provider has notified the county or APP of the parent’s lack of communication, and the county or APP has documented the provider’s unsuccessful attempts to collect a signature. (WIC § 10227.5(b)(2)(A); 10277(d))
- 6) Authorizes APPs and child care providers to use a digital signature that complies with state and federal standards, as determined by CDSS. The digital signature may be a marking that is either computer generated or produced by electronic means and is intended by the signatory to have the same effect as a handwritten signature. Provides that the use of a digital signature shall have the same force and effect as the use of a manual signature if the requirements for digital signatures and their acceptable technology, as provided in Section 16.5 of the Government Code and state regulations, are satisfied. (WIC § 10232.5)
- 7) Authorizes contractors operating or providing services under the Child Care and Development Services Act to do both of the following:
 - a) Maintain records electronically, as specified. Records must be retained by each contractor for at least five years, as specified.
 - b) Use a digital signature, as specified. The use of a digital signature shall have the same force and effect as the use of a manual signature. (WIC § 10269)

- 8) Provides that, in any written communication with a public entity, as defined, in which a signature is required or used, any party to the communication may affix a signature by use of a digital signature, which shall have the same force and effect as the use of a manual signature, if and only if, it embodies all of the following attributes: it is unique to the person using it; it is capable of verification; it is under the sole control of the person using it; it is linked to data in such a manner that if the data are changed, the digital signature is invalidated; and it conforms to regulations adopted by the Secretary of State, as specified. (Government Code [GOV] § 16.5)
- 9) Provides that an acceptable digital signature technology must be capable of creating signatures that conform to Government Code 16.5. (2 California Code of Regulations § 22002)
- 10) Defines “digital signature” as an electronic identifier, created by a computer, intended by the party using it to have the same force and effect as the use of a manual signature. Provides that a digital signature is a type of “electronic signature”. (GOV § 16.5(d))
- 11) Establishes the Uniform Electronic Transactions Act, which applies to electronic records and electronic signatures relating to a transaction. (Civil Code [CIV] § 1633.1 et seq.)
- 12) Defines “electronic signature” as an electronic sound, symbol, or process attached to or logically associated with an electronic record and executed or adopted by a person with the intent to sign the electronic record. Specifies a “digital signature” is a type of electronic signature. (CIV § 1633.2(h))
- 13) Defines “electronic record” as a record created, generated, sent, communicated, received, or stored by electronic means. (CIV § 1633.2(g))
- 14) Specifies the circumstances under which an electronic record may satisfy a legal requirement for a record to be retained. (CIV § 1633.12)

This bill:

- 1) Provides that a signature required under the Child Care and Development Services Act may be satisfied by use of an electronic signature, as defined, if the signature meets the requirements of the Uniform Electronic Transactions Act.
- 2) Provides that documents required under the Child Care and Development Services Act that contain an electronic signature may be created and stored in

an electronic format in compliance with the Uniform Electronic Transactions Act.

- 3) Authorizes CDSS to adopt regulations to implement this bill, including standards for authentication, consent, and record retention.

Background

Purpose of this Bill. According to the author, “Families accessing subsidized child care vouchers must submit multiple forms throughout the year, including eligibility applications, updates to work or school schedules, changes to providers, and corrections to attendance records. Paper-based processes require printing, mailing, or hand-delivering documents, which can be burdensome for parents juggling multiple jobs, caring for young children, or facing transportation or housing challenges. Missing or delayed signatures can slow access to care or stall reimbursement to providers for families using vouchers. This reliance on paper not only creates administrative inefficiencies but also treats voucher families as second-class participants in the child care market, limiting their access to high-quality care and the same convenience and flexibility available to families paying privately. While current law generally recognizes digital and electronic signatures, the Child Care and Development Services Act does not explicitly authorize current electronic options for signage or storage. This gap forces contractors serving families to rely on paper forms and in-person signatures, creating hurdles for families with inconsistent schedules or limited access to technology.

“SB 902 updates subsidized child care paperwork practices by specifying that a signature required by the Child Care and Development Services Act may be satisfied by an electronic signature in compliance with the Uniform Electronic Transactions Act. Additionally, the bill authorizes the Department of Social Services to adopt regulations to implement these provisions. By aligning subsidized child care paperwork with common practices already used in housing and health care, the bill supports timely access to care and strengthens family economic stability and workforce participation.”

APP and Provider Documents Requiring Signatures. CDSS contracts with APP agencies to administer child care subsidy payments for families in all 58 counties. Of the 70 APP agencies, 46 are nonprofit community-based organizations, 15 are county offices of education, seven are county welfare departments, one is a school district, and one is a city government. APP agencies enroll families based on eligibility and prioritization criteria. These criteria may include income eligibility, whether the family has a child who is receiving protective services, and the parent(s)’s employment status, to name a few. During the eligibility determination

process, families must sign several documents to access subsidized child care, including an application form, income verification forms, and enrollment agreements. Once a family is enrolled, they will need to sign other paperwork, including recertification forms and monthly attendance records.

To receive reimbursement for services, providers are required to maintain and submit a monthly attendance record for each child. The attendance record must include drop-off and pick-up times and be signed by both the parent or guardian and the provider under penalty of perjury to certify accuracy. APP agencies are required to reimburse child care providers based on either a family's certified hours of need or a family's maximum certified hours, depending on the provider type and family schedule. However, due to the current collective bargaining agreement between the State and Child Care Providers United – California, between July 1, 2025, and July 1, 2028, reimbursement is based on the maximum authorized hours of care, regardless of attendance.

Changing Signature Requirements for Attendance Records. Starting in 2017, all child care contractors and child care providers were authorized to use digital signatures. Previously, contractors and providers could only accept manual (handwritten) signatures, which require families to appear in person to sign a paper copy of the attendance sheet. Digital signatures do not require a paper copy, but the signature must meet the following requirements: unique to the person using it; capable of verification; under the sole control of the person using it; linked to data in such a manner that if the data are changed, the digital signature is invalidated; and conforms to regulations adopted by the Secretary of State.

Signature requirements for attendance records were made more flexible during the COVID-19 pandemic. In 2020, child care providers were authorized to submit an attendance record without a parent signature, so long as the provider documented their attempts to collect a signature. In 2021, the documentation clause was removed, which effectively waived the requirement to collect parent signatures for attendance records. Starting July 1, 2022, providers were required to resume collecting signatures on their attendance records.

Effective September 2023, child care providers are authorized to submit an attendance record without a parent signature when the parent has not communicated with the provider for seven consecutive days, the provider has notified the county or contractor of the parent's lack of communication, and the county or contractor has documented the provider's unsuccessful attempts to collect a signature.

Digital and Electronic Signatures. Statute defines a digital signature as an electronic identifier created by a computer that is intended by the signer to have the same effect as a manual (handwritten) signature. Current law authorizes child care and development contractors and providers to use a digital signature, but not an electronic signature. According to the sponsor of this bill, digital signatures require complex technologies such as encryption keys, certificates, and software, which they say can be unrealistically burdensome for both families and providers.

This bill would allow a child care contractor or provider to use an electronic signature, which is an umbrella term that includes digital signature. Statute defines an electronic signature as an electronic sound, symbol, or process attached to an electronic record and executed by a person with the intent to sign the electronic record. According to the sponsor, this could include DocuSign, which allows a signer to type, draw, or upload a signature.

Comments

This bill seeks to modernize administrative processes for child care contractors and providers by allowing the use of electronic signatures. County welfare departments have been authorized to use electronic signatures for social services programs since 2007. State law additionally allows for the use of electronic signatures for other documents such as rental agreements, purchase of property, and car loans. Expanding the types of acceptable signatures to include electronic signatures could reduce reliance on paper forms, enable families to access child care more quickly and with fewer disruptions, and speed up processing for provider payments. If a provider is unable to contact a parent, the provider is allowed to submit that child's attendance sheet without a parent signature. Authorizing use of electronic signatures could also improve the collection of parent signatures and support accountability. The author may wish to consider extending the flexibility to use electronic signatures to contractors under the Early Education Act to provide parity across child care and preschool programs.

[NOTE: See the Senate Human Services and Senate Judiciary Committee analyses for additional background on this bill.]

Related/Prior Legislation

SB 140 (Committee on Budget and Fiscal Review, Chapter 193, Statutes of 2023) authorized a child care provider to submit a monthly attendance record without a parent's signature when the parent has not communicated with the provider for a minimum of seven consecutive days, the provider has notified the county or APP

agency of the parent's lack of communication, and the county or APP agency has documented the provider's unsuccessful attempts to collect a signature.

AB 131 (Committee on Budget, Chapter 116, Statutes of 2021) allowed APPs and child care providers, from July 1, 2021, through June 30, 2022, or through the end of the state of emergency declared by the Governor in response to the COVID-19 pandemic, whichever period is shorter, to submit attendance records for reimbursements without a parent or guardian signature, subject to applicable guidance issued by CDSS or the California Department of Education.

SB 820 (Committee on Budget and Fiscal Review, Chapter 110, Statutes of 2020) allowed APPs and child care providers, through June 30, 2021, to submit attendance records for reimbursements without a parent or guardian signature if the parent was unable to sign due to the COVID-19 pandemic.

AB 1712 (Obernolte, Chapter 324, Statutes of 2016) expanded authority for all child care contractors (not just APPs) to use digital signatures and required that those signatures have the same force and effect as manual signatures, as specified.

AB 2296 (Low, Chapter 144, Statutes of 2016) clarified that a "digital signature" is also a type of electronic signature for purposes of the Uniform Electronic Transactions Act.

AB 271 (Obernolte, Chapter 476, Statutes of 2015) authorized APPs and child care providers to maintain electronic records, and authorized APPs to use digital signatures.

AB 274 (Bonilla, Chapter 733, Statutes of 2013) allowed APPs to maintain electronic records but prohibited documents or records created in paper form to be scanned and stored electronically. Records created in paper form were required to be stored in their original paper format.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT: (4/27/26)

Thriving Families California (Sponsor)

4c's Alameda

Alameda County Office of Education

Bananas

Changing Tides Family Services

Child Action INC

Child Development Associates

Child Development Incorporated
Child Development Resources of Ventura County, INC.
Community Action Partnership of San Luis Obispo County, INC.
Community Resources for Children
Connections for Children
Crystal Stairs, INC.
Del Norte Child Care Council
Early Care and Education Consortium
Early Edge California
Every Child California
First 5 Association of California
Go Kids, INC
Head Start California
Hively
Kidango
Kindercare Learning Companies
Kindersystems
Low Income Investment Fund
Marin Child Care Council
Mct Technology
North Coast Opportunities
Pathways LA
Sierra Nevada Children's Services
Supportive Services, INC
Valley Oak Children's Services, INC.

OPPOSITION: (4/27/26)

None received

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4/28/26 16:33:31

**** **END** ****