

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

SB 902 (Grayson)
Version: March 3, 2026
Hearing Date: April 14, 2026
Fiscal: Yes
Urgency: No
AWM

SUBJECT

Childcare: electronic signatures

DIGEST

This bill clarifies that a signature required by the Child Care and Development Services Act (CCDSA) may be satisfied with an electronic signature that complies with the requirements of the Uniform Electronic Signatures Act (UETA), and that documents with an electronic signature may be created and stored electronically in compliance with the UETA.

EXECUTIVE SUMMARY

The UETA permits parties to conduct transactions electronically when all parties agree to do so, except in specifically exempted transaction types. Within a transaction covered by the UETA, an electronic signature – which can be any electronic mark or process that indicates the signor’s intent to sign a document – has the same effect as a pen-and-ink signature, and a document that exists only in electronic form has the same legal effect as a paper document.

The UETA does not exempt transactions under the CCDSA from its provisions allowing electronic transactions. Nevertheless, according to the author and sponsor, CCDSA contractors and vendors are reluctant to allow electronic signatures without specific authorization. For the parents, the requirement to provide physical signatures on paper documents is an added hassle that can considerably delay the process of finding childcare. Accordingly, this bill expressly permits any signature required under the CCDSA to be satisfied by an electronic signature, and for documents containing an electronic signature to be created and stored electronically, in compliance with the UETA and other state and federal law.

This bill is sponsored by Thriving Families CA Foundation and is supported by 30 organizations. This Committee has not received timely opposition to this bill. The Senate Human Services Committee passed this bill with a vote of 5-0.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Establishes the UETA, which governs electronic transactions commenced on or after January 1, 2000, between parties that have agreed to transact business through electronic means, except as provided in 2). (Civ. Code, div. 3, pt. 2, tit. 2.5, §§ 1633.1 et seq.)
- 2) Excludes certain types of transactions from the UETA, including the creation of wills and trusts, specified telephonic sales transactions, specified mortgage transactions, the cancelation of certain insurance contracts, and vehicle brokering agreements. (Civ. Code, § 1633.3.)
- 3) Defines the following relevant terms:
 - a) "Contract" means the total legal obligation resulting from the parties' agreement as affected by this title and other applicable law. (Civ. Code, § 1633.2(d).)
 - b) "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities. (Civ. Code, § 1633.2(e).)
 - c) "Electronic record" means a record created, generated, sent, communicated, received, or stored by electronic means. (Civ. Code, § 1633.2(g).)
 - d) "Electronic signature" means 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, and includes a "digital signature." (Civ. Code, § 1633.2(h).)
 - e) "Digital signature" means an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature. (Gov. Code, § 16.5(d).)
 - f) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form. (Civ. Code, § 1633.2(m).)
- 4) Provides the following with respect to electronic signatures and records:
 - a) A record or signature may not be denied legal effect or enforceability solely because it is in electronic form.
 - b) A contract may not be denied legal effect or enforceability solely because an electronic record was used in its formation.

- c) If a law requires a record to be in writing, an electronic record satisfies the law.
 - d) If a law requires a signature, an electronic signature satisfies the law. (Civ. Code, § 1633.7.)
- 5) Provides that an electronic record or signature is attributable to a person if it was the act of the person; the act may be shown in any manner, including a showing of the efficacy of any security procedure applied to determine the person to which the electronic record or electronic signature is attributable, and the effect of an electronic record or electronic signature attributed to a person is determined from the context and surrounding circumstances at the time of its creation, execution, or adoption. (Civ. Code, § 1633.9.)
- 6) Establishes the CCDSA, which provides 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. (Welf. & Inst. Code, div. 9, pt. 1.8, §§ 10207 et seq.)
- 7) Defines an “alternative payment program” as a local government agency or nonprofit that has contracted with DSS, or a migrant alternative payment program, to provide alternative payments and to provide services to parents and providers under the Child Care and Development Services Act. (Welf. & Inst. Code, § 10213.5.)
- 8) Provides that alternative payment programs and providers operating or providing services under the Child Care and Development Services Act may do the following:
- a) Maintain records electronically, in compliance with state and federal standards, as determined by DSS and consistent with existing state law, and provided that the records be retained for at least five years. (Welf. & Inst. Code, § 10232.)
 - b) Use a digital signature that complies with state and federal standards, as determined by DSS, that 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. (Welf. & Inst. Code, § 10232.5.)

This bill:

- 1) Provides that, notwithstanding any other law, a signature required by the CCDSA may be satisfied by the use of an electronic signature that complies with the UETA.
- 2) Provides that, notwithstanding any other law, documents required by the CCDSA containing an electronic signature may be created and stored in an electronic format in compliance with the UETA.

- 3) Permits DSS to adopt regulations to implement 1) and 2), including standards for authentication, consent, and record retention.

COMMENTS

1. Author's comment

According to the author:

Families accessing subsidized childcare 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 childcare 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 (WIC Part 1.8) 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 childcare 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 (UETA). Additionally, the bill authorizes the Department of Social Services to adopt regulations to implement these provisions. By aligning subsidized childcare 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.

2. This bill clarifies that documents required by the CCSDA may be signed and stored electronically

Since 2000, California's UETA has permitted most transactions requiring documentation to be signed and stored electronically.¹ The UETA was modeled after a uniform electronic transactions bill prepared by the National Conference of

¹ See SB 820 (Sher, Ch. 428, 1999).

Commissioners on Uniform State Laws.² The model legislation was drafted, and the UETA enacted, “to work out rules by which electronic commerce may be conducted across the country” as “the computer and other electronic media [became] common and people...learned the convenience of the Internet.”³ Under the UETA, parties who agree to conduct transactions electronically may do so unless the transaction is of a type specifically exempted from the UETA’s coverage.⁴ In covered transactions, agreeing parties may store documents electronically and may sign documents electronically rather than in pen and ink; these electronic documents and signatures carry the same weight as their pre-digital counterparts.⁵

With respect to electronic signatures, the UETA gives the parties broad discretion in how an electronic signature may be made. An electronic signature is “an electronic sound, symbol, or process attached to or logically associated with an electronic record” that is placed or adopted by the person who intends to sign the record.⁶ Electronic signatures can range from a signature executed by a stylus on an electronic signature pad to the simple clicking of an “I agree” pop-up box. Electronic signatures also include “digital signatures,” which requires an electronic identifier created by a computer.⁷ Put simply, a digital signature is more complex to create and provides greater security than a standard electronic signature, so parties often opt for digital signatures in complex or sensitive transactions.

The CCDSA, which governs the provision of subsidized childcare services in the state, expressly permits alternative payment programs and providers – entities that have contracted with DSS to provide childcare services or payments for childcare services – to maintain records electronically and use digital signatures in compliance with state and federal law.⁸ The CCDSA does not, however, generally authorize the use of electronic signatures and the maintenance of electronic documents.

This bill clarifies that signatures and documents required under the CCDSA may be in electronic form and stored electronically, provided that they comply with the UETA. While this clarification is arguably unnecessary, because the UETA does not exempt the types of transactions at issue here, the sponsor of the bill contends that this bill will make it more likely that the parties will use electronic signatures and documents, making lives easier for parents.

² Sen. Com. on Judiciary, Analysis of Sen. Bill No. 820 (1999-2000 Reg. Sess.) as amended May 6, 1999, p. 3.

³ *Ibid.*

⁴ See Civ. Code, §§ 1633.3 & 1633.5.

⁵ *Id.*, §§ 1633.5, 1633.7, 1633.12.

⁶ *Id.*, § 1633.2(h).

⁷ *Ibid.*; Gov. Code, § 16.5(d).

⁸ Welf. & Inst. Code, §§ 10232.5, 10233.

3. Arguments in support

According to Thriving Families CA Foundation:

Families accessing subsidized child care must complete and update multiple forms throughout the year to apply for care, report changes, and maintain eligibility. Requiring paper forms and wet signatures creates avoidable barriers that can delay access to care or jeopardize a family's ability to keep their child care. These challenges are especially acute for families with unpredictable work schedules, limited transportation, or those living in rural communities who have to travel long distances.

SB 902 updates the Child Care and Development Services Act to explicitly authorize electronic signatures and electronic document storage in compliance with the Uniform Electronic Transactions Act. Currently, the law does not clearly authorize electronic signatures for child care subsidy documentation, forcing reliance on paper-based processes that delay families' access to care and providers' reimbursement. This bill resolves that gap while preserving the option for paper documentation when preferred.

Aligning child care with standard practices used across public benefit systems will reduce administrative friction, speed up processing, and make it easier for families to access and retain child care.

SUPPORT

Thriving Families CA Foundation (sponsor)
BANANAS
Changing Tides
Child Action
Child Care Coordinating Council of Alameda County
Child Development Associates
Child Development Incorporated
Child Development Resources of Ventura County
Community Action Partnership, San Luis Obispo County, Inc.
Community Resources for Children
Connections for Children
Crystal Stairs, Inc.
Del Norte Child Care Council
Early Care & 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

OPPOSITION

None received

RELATED LEGISLATION

Pending legislation: None known.

Prior legislation: AB 865 (Quirk-Silva, 2021) would have made a number of changes to the Child Care and Development Services Act, including authorizing alternative payment programs and providers to use electronic signatures and forms. AB 865 was vetoed by Governor Newsom, whose veto message expressed concern over a portion of the bill relating to the formula for reimbursement and did not mention the electronic signature provisions.

PRIOR VOTES:

Senate Human Services Committee (Ayes 5, Noes 0)
