

*Disclaimer: We believe this state budget analysis is accurate as of October 6, 2025, but please keep in mind the law changes often.*

## Introduction

Enriching, affordable child care creates stability and opens opportunities for all our children, families, and communities. When our policymakers prioritize the well-being of our youngest children and those who nurture them, California will be a better state now and always.

Thanks to the fierce advocacy of child care providers, parents, Child Care Providers United, and the joint efforts by child care advocates across the state, funding was maintained for the majority of California's child care programs and child care providers will receive a pay increase from the State for providing affordable child care.

However, the Governor and Legislature fund no new affordable child care spaces in this State Budget, deprioritizing the needs of California's youngest children and their families. On top of that, policymakers refused to pass equitable tax policies that would allow families and child care providers to build stable, prosperous lives. Our state leaders can — and must — raise state revenues as soon as possible to pay child care providers fairly and ensure families have the affordable child care they need to survive.

Below, we provide an analysis of the Fiscal Year 2025-26 State Budget package (including associated budget bill juniors and budget trailer bills). We also analyze the funding and policy changes in the 2025-28 agreement between the State and Child Care Providers United ("CCPU"), the union that represents licensed family child care ("FCC") and license-exempt family-friend-neighbor ("FFN") providers who care for children with publicly funded child care subsidies.<sup>1</sup> Using a drop-down feature, we provide further details, about how funding and policies came to be — from where the State started with Governor Newsom's January State Budget Proposal to the 2025-26 State Budget Package.

## OVERVIEW OF TOP CHILD CARE ITEMS

In July, California's 2025-2026 State Budget included a total of \$6.525 billion (\$4.695 billion in General Funds) for publicly funded affordable child care programs administered by the California Department of Social Services ("CDSS").<sup>2</sup> In September, following the tentative agreement between CCPU and the State, AB 105 (Budget Bill Jr.) and associated budget trailer bills added \$157.852 million for stabilization payments to child care providers<sup>3</sup> and an additional \$3.387 million<sup>4</sup> for the increased monthly cost of care plus payments for all child care providers paid by the state for affordable child care. For more information about child care funding trends across time, [click here](#).

- Child Care Providers' Pay
  - For all child care providers paid with publicly funded child care subsidies, the State:
    - Maintains providers' current subsidy payment rates<sup>5</sup>
    - Continues cost of care plus payments indefinitely<sup>6</sup> and provides an increase to these payments<sup>7</sup>
    - Includes a one-time, per-child "stabilization" payment to providers<sup>8</sup>
    - Suspends the child care cost-of-living adjustment and California State Preschool Program child care cost-of-living adjustment ("COLA") for 2025-26<sup>9</sup> and redirects this funding for the increased cost of care plus payments<sup>10</sup>
    - Establishes a new annual cost-of-living adjustment for all child care providers, effective July 1, 2026<sup>11</sup>
    - Extends paying providers based on enrollment by three years (through July 1, 2028)<sup>12</sup>
    - Provides funding to state and local agencies for implementation and automation activities related to prospective pay<sup>13</sup>
- Fair Pay for Child Care Providers
  - To move forward with paying child care providers fairly, based on the cost of care (using an alternative methodology and implementing a single rate structure), the State:
    - Provides funding to state and local agencies for automation and implementation activities related to fair pay<sup>14</sup>
    - Requires the State and CCPU to convene a Joint Labor Management Committee that will develop and submit single rate structure recommendations by November 30, 2025<sup>15</sup>
    - Determines that base payment rates under the future single rate structure will vary based on five factors<sup>16</sup>
    - Defines the five geographic regions for base rates under the future single rate structure<sup>17</sup>
    - Makes implementing a single rate structure contingent on an agreement between the State and CCPU on the specific rates, as well as the completion of several "necessary implementation activities"<sup>18</sup>
- Affordable Child Care Spaces for Families
  - The State funds affordable child care spaces so families with low incomes have the no- or low-cost child care they need. This year, the State:
    - Maintains funding<sup>19</sup> for the 129,800<sup>20</sup> new affordable child care spaces added since 2020-21
    - Adds no new spaces in 2025-26, following through on the spaces expansion plan in the 2024 Budget Act<sup>21</sup>
    - Makes cuts to the Emergency Child Care Bridge Program for children in foster care<sup>22</sup>

# FISCAL YEAR 25-26 STATE BUDGET DETAILS

Note: All funding amounts are from the General Fund, unless otherwise specified.

## Child Care Providers' Pay

The State pays child care providers who provide early care and education to children with affordable child care subsidies. Below are the funding and policy changes related to how, and how much, the state pays these child care providers under the current system.

- Maintains child care providers' current subsidy payment rates<sup>23</sup>
- Continues cost of care plus payments indefinitely<sup>24</sup> and provides an increase to these per-child monthly payments<sup>25</sup>
  - The State repurposes \$69.532 million<sup>26</sup> from the COLA for child care and California State Preschool Programs ("CSPP") to go towards this new cost of care plus increase for all providers,<sup>27</sup> allocates \$19.296 million in Prop 98 funding<sup>28</sup> to increase CSPP Local Education Agency ("LEA") providers' subsidy payments, and provides an additional \$3.387 million in SB 105 (Budget Bill Jr.) for the increased monthly payments.<sup>29</sup>
  - Monthly Cost of Care Plus Rate - per child, based on geographic location:<sup>30</sup>
    - FFN
      - July to December 2025: \$98-148/month<sup>31</sup>
      - By January 1, 2026, and based on April 2025 enrollment: lump sum payment of \$54-78<sup>32</sup>
      - Beginning January 1, 2026: \$107-161/month<sup>33</sup>
    - FCC
      - July to December 2025: \$140-211/month<sup>34</sup>
      - By January 1, 2026, and based on April 2025 enrollment: lump sum payment of \$72-114<sup>35</sup>
      - Beginning January 1, 2026: \$152-230/month<sup>36</sup>
    - Centers
      - Beginning July 1, 2025: \$152-230/month<sup>37</sup>
      - January
        - Governor Newsom's January Proposal maintained providers' current rates and cost of care plus payments,<sup>38</sup> as required in state law by the reimbursement floor that was established in the 2024-25 Budget Act.<sup>39</sup>
      - May
        - The Governor's May revision to his January Proposal ("the May Revise") also maintained providers' rates and cost of care plus payments.<sup>40</sup>

Yet, to address the budget shortfall, Governor Newsom removed the child care COLA and CSPP COLA in 2025-26 resulting in a reduction of \$70.9 million and \$19.3 million in Proposition 98 funding.<sup>41</sup>

- June

- The Assembly Budget Committee's Subcommittee Report noted that SB 101 (Joint Legislative Proposal) maintained providers' current payment rates as required by state law. This Report highlights that the Legislature approved the Governor's proposal to remove the child care and CSPP COLAs and redirected the COLA funding to "the Single Rate System, based on the Alternative Methodology, for future fiscal years."<sup>42</sup> The Senate Budget and Fiscal Review Committee's SB 101 budget summary highlighted the Legislature's intent to develop trailer bill language requiring *all* child care programs to "receive a new COLA based on the new single rate structure beginning in 2026," using the funding from the suspended CSPP and child care COLAs.<sup>43</sup>
- AB 102 (Budget Bill Jr.), signed into law June 27, included \$69.532 million<sup>44</sup> to increase providers' monthly cost of care plus payments by repurposing the savings from the child care and CSPP COLA removals.<sup>45</sup> AB 102 also appropriated \$19.296 million in Prop 98 Funds for CSPP providers within LEAs.<sup>46</sup>

- July

- CCPU-represented providers (all California FCC and FFN providers) were unable to receive these new increased payments starting July 2025, as CCPU's new agreement with the State had yet to be negotiated and fully ratified.<sup>47</sup> Centers started receiving the new increased cost of care plus payments in July 2025<sup>48</sup> because CCPU's agreement with the State did not apply to them.<sup>49</sup>

- September

- SB 105 (Budget Bill Jr.) provides an additional \$3.387 million for the increased cost of care plus payments.<sup>50</sup>



(Budget Bill Jr.),<sup>66</sup> to ensure parity. This brought the total funding to \$210.424 million (\$157.852 million for CDSS-administered affordable child care, \$15.568 million for CSPP non-LEAs, and \$37.014 million Prop 98 Funds for CSPP LEAs).<sup>67</sup>

- The Senate Budget and Fiscal Review Committee September 10, 2025 Hearing Agenda highlights that of the \$157.852 million for CDSS-administered affordable child care, \$6.53 million is for the administration of these one-time, per-child stabilization payments.<sup>68</sup>
- Continues paying child care providers based on maximum authorized hours of care, regardless of a child's actual attendance, effective July 1, 2025, through July 1, 2028<sup>69</sup> (\$88.55 million).<sup>70</sup>
  - Paying providers based on a child's authorized enrollment (rather than a child's actual attendance) is a requirement under the 2024 Child Care and Development Fund Final Rule.<sup>71</sup>
  - January
    - The Governor's January Proposal did not include this policy to pay providers based on maximum authorized enrollment, rather than attendance.<sup>72</sup>
  - June
    - SB 101 (Joint Legislative Proposal) also did not include specific language to continue paying providers based on enrollment. However, the Senate Budget Subcommittee #3 on Health and Human Services June 10, 2025 Agenda noted the Legislature's intent to pay providers based on enrollment by January 1, 2026.<sup>73</sup>
    - SB 120 (trailer bill) included a 1-year extension of this policy, from July 1, 2025, through June 30, 2026.<sup>74</sup>
  - August
    - CCPU's 2025-28 tentative agreement with the State extended this policy to three years for FFN and FCC providers (union-represented providers).<sup>75</sup>
  - September
    - The State applied the 3-year extension of the policy to all child care providers via SB 151 (trailer bill).<sup>76</sup>
- Establishes a new minimum annual COLA rate increase that will be given to *all* child care providers, beginning July 1, 2026, (to be granted by the Legislature).<sup>77</sup>
  - Most providers do not receive the current child care COLA (which is suspended for 2025-26<sup>78</sup>), because it only applies to providers paid based on the standard reimbursement rate ("SRR").<sup>79</sup> Thus, this new annual COLA set to begin on July 1, 2026, differs as it

- applies to all child care providers regardless of whether they are paid based on the SRR or the regional market rate (“RMR”).<sup>80</sup>
- Provides funding to CDSS and CDE for implementation and automation costs associated with paying providers prospectively (before delivery of child care services), based on enrollment, and exempts this funding from administrative cost limits (\$39.581 million).<sup>81</sup>
    - California is one of many states with a temporary federal waiver that allows for additional time to implement prospective pay.<sup>82</sup> The Administration for Children and Families (“ACF”) approved California’s temporary waiver on November 22, 2024, and it expires on August 2, 2026.<sup>83</sup>
    - January
      - Governor Newsom’s January Proposal did not include any funding or policy changes related to prospective pay.
    - May
      - His May Revise included \$52 million to implement this policy<sup>84</sup> and to align with the federal 2024 CCDF final rule.<sup>85</sup> Of this funding, the Governor’s proposal allocated \$43.8 million to support local administration ongoing and \$8.2 million to support system automation costs.<sup>86</sup>
    - June
      - The Senate Budget Subcommittee #3 on Health and Human Services modified the Governor’s proposal and approved \$8.2 million for system automation costs and reduced local administration by \$21.9 million in 2025-26.<sup>87</sup> This proposal was also contingent on paying providers based on enrollment by January 1, 2026.<sup>88</sup>
      - SB 101 (Joint Legislative Proposal) included this \$21.9 million for implementation costs for paying “providers prospectively, based on enrollment.”<sup>89</sup>
      - AB 102 (Budget Bill Jr.), passed on June 27, includes \$30.091 million in General Funds to CDSS.<sup>90</sup> Of this, \$8.2 million is for supporting system updates and \$21.9 million is for additional staff for half a year.<sup>91</sup> It also appropriates \$3.066 million in General Funds for CSPP non-LEAs and \$5.974 million in Prop 98 funds for CSPP LEAs to support local contractors with the implementation and automation of prospective pay.<sup>92</sup>
    - August
      - The CCPU 2025-28 tentative agreement with the State notes that the State “intends to meet federal requirements related to prospective payment.”<sup>93</sup>

- September
  - SB 105 (Budget Bill Jr.) added language to ensure these funds are exempted from administrative cost limits that currently exist in the California Education Code and Welfare and Institutions Code.<sup>94</sup>
- While California’s temporary waiver from ACF expires on August 2, 2026<sup>95</sup> and the CCPU 2025-28 agreement highlights the State’s intention of meeting this federal requirement,<sup>96</sup> currently no statute or bill language contains a deadline for when the State will begin paying providers prospectively.
- Requires CDSS to submit updates to the Legislature regarding the implementation of prospective pay, based on enrollment, between October 1, 2025 through July 1, 2027.<sup>97</sup>
  - Language in SB 120 (trailer bill) notes that these updates to the Legislature be made “not more frequently than quarterly” and notes that they are contingent on information being “available or reported to the department [CDSS] by contractors.”<sup>98</sup> The language also notes that these updates are to ensure that the goals are being met for the \$30.091 million appropriated to CDSS for the implementation costs associated with prospective pay, based on enrollment.<sup>99</sup>

## Fair Pay for Child Care Providers

California is currently in the process of changing how it pays child care providers so it is based on the cost of care, rather than what families can afford to pay. Below are the funding and policy changes related to the State transitioning to an alternative methodology and implementing a single rate structure.

- Provides funding for federal child care compliance, including but not limited to implementation activities for a single rate structure informed by the alternative methodology (\$21.767 million in federal one-time funding).<sup>100</sup>
  - When using these funds for fair pay implementation contracts, CDSS must provide written notification to the Joint Legislative Budget Committee (“JLBC”) with updates on fair pay and how the use of these funds aligns with the Legislature’s intent for a single rate structure.<sup>101</sup>
  - This funding can be reserved for future use through September 30, 2027, and must be spent or paid out through September 30, 2028.<sup>102</sup>
    - May
      - Governor Newsom’s May Revise included \$21.8 million in one-time federal funds to support start-up automation activities for developing a single rate structure.<sup>103</sup> The May Revise also highlighted that CDSS was “working toward

the goal of automating the new single rate structure as early as July 1, 2027.”<sup>104</sup>

- June
  - SB 101 (Joint Legislative Proposal) included a \$21.767 million appropriation for this provision.<sup>105</sup> It also included stricter accountability language than what is in the 2025-26 State Budget package.
    - SB 101 included language that required the JLBC to respond to CDSS’s written notification within 60 days of receiving it and funds could not be allocated before JLBC’s written approval. It also included additional items to be included in CDSS’s written notification (for example, a spending plan and how new rates based on the single rate structure would differ from rates effective June 30, 2025).<sup>106</sup>
  - AB 102 (Budget Bill Jr.), passed on June 27, removed these stricter CDSS reporting requirements when the Legislature reached an agreement with the Governor. AB 102 requires:
    - Written notification from CDSS to the JLBC to include “at a minimum, an update regarding how the department proposes to structure childcare rates pursuant to the single rate structure in future years.”<sup>107</sup>
    - CDSS provides updates on how the use of these federal funds are “consistent with the reporting requirements in Section 10227.6 of the Welfare and Institutions Code.”<sup>108</sup>
  - AB 102 highlights that it is the Legislature’s intent to implement a single rate structure consistent with the Welfare and Institutions Code Section 10227.6 and it is subject to the Legislature’s approval via a future budget act.<sup>109</sup>
- Provides support for the Early Education Division for CSPP fair pay implementation preparation in 2025-26 and ongoing (\$1.092 million and 8 employment positions).<sup>110</sup>
- Highlights the Legislature’s intent to use an alternative methodology and set rates under a single rate structure.<sup>111</sup>
  - The Legislature intends to end use of the RMR survey and transition to use of an alternative methodology to set future affordable child care payment rates.<sup>112</sup>
  - Under a future single rate structure, the Legislature intends:

- For rates to be informed by “costs associated with meeting health and safety requirements and program requirements.”<sup>113</sup>
  - For rates to vary based on geography, type of care setting, regulatory requirements for each type of care setting, time categories, and a child’s age.<sup>114</sup>
  - For all programs to be “reimbursed under a unified structure that takes into account a common set of rate elements,” under a single rate structure.<sup>115</sup>
- Requires CDSS to continue submitting quarterly fair pay implementation reports to the Legislature through July 1, 2027.<sup>116</sup>
  - These reports were set to expire on January 1, 2026.<sup>117</sup>
  - CDSS delivers these reports to the Assembly Committee on Budget, the Senate Committee on Budget and Fiscal Review, and the Legislative Analyst’s Office.<sup>118</sup> Some of these reports have been posted on the CDSS [Rate Reform and Quality webpage](#).
- Requires the State and CCPU to convene a Joint Labor Management Committee (“JLMC”) and develop joint recommendations for “a single reimbursement rate structure.”<sup>119</sup>
  - The JLMC must submit these recommendations to the Director of CDSS by November 30, 2025.<sup>120</sup>
    - This new JLMC must convene at least once per month. CDSS and the California Department of Education (CDE) will consider the JLMC recommendations.<sup>121</sup>
    - If the JLMC is unable to agree on joint recommendations, then the State and CCPU can each submit their own recommendations to the CDSS Director.<sup>122</sup>
    - The CCPU 2025-28 agreement with the State notes that the single rate structure will have base rates, as well as enhanced rates for non-traditional hours and inclusion services. It also states rates will be informed by the alternative methodology, which “tak[e] into account a common set of rate elements in accordance with [Welfare and Institutions Code section 10227.6(l)].”<sup>123</sup>
- Establishes that before a single rate structure can be implemented, the State and CCPU must agree on specific rates, and several implementation activities must first be completed.<sup>124</sup>
  - The list of implementation activities includes, but is not limited to:
    - “Updates to impacted State, contractor, agency, and county payment, administrative, and data automation systems;
    - Issuance of written State program guidance;
    - Required modifications to State contracts, fiscal handbook, funding terms, and conditions, programs forms, and fiscal and contract monitoring and audit procedures; and,

- State staff, contractors, agencies, and counties trainings.”<sup>125</sup>
- Defines the 5 geographic regions by which reimbursement rates will vary under a single rate structure.<sup>126</sup> The regions are:
  - “Region 1: Glenn, Trinity, Del Norte, Modoc, Siskiyou, Imperial, Tehama, Colusa, Lassen, Mariposa, Plumas, Inyo, Kings, Tulare, San Bernardino, Lake, Tuolumne, Fresno, Merced, Yuba, Kern, Amador, Alpine, Sierra, Humboldt, Calaveras, Stanislaus, Mendocino, Madera, Butte, Sutter, San Joaquin, Shasta
  - Region 2: Nevada, Mono, Riverside, Sacramento, Yolo, Solano, San Luis Obispo, El Dorado, Alameda
  - Region 3: Los Angeles
  - Region 4: San Benito, Ventura, Sonoma, Napa, Contra Costa, Placer, Monterey, Orange, San Diego, Santa Barbara
  - Region 5: Marin, Santa Clara, San Francisco, San Mateo, Santa Cruz”<sup>127</sup>
- Establishes that, for FCC and FFN providers, rates under a single rate structure will include part-time and full-time weekly time categories and will vary by the following child-age categories: infant, preschool, and school-aged.<sup>128</sup>
  - Part-time is defined as care certified for a child for less than 25 hours per week. Full-time is defined as care certified for a child for 25 hours or more per week. This aligns with the definitions found in the California Welfare and Institutions Code and Education Code.<sup>129</sup>

## Affordable Child Care Spaces for Families

The state budget is the most important legislation for creating an equitable society where families have the enriching child care they need. And when families have affordable child care, they can get ahead and stay ahead. The California 2025-26 State Budget:

- Maintains the current number of publicly funded affordable child care spaces (\$1.618 billion).<sup>130</sup> The State has added a total of 129,800 new spaces since 2020-21 (Alternative Payment Program (CAPP vouchers), General Child Care (CCTR), Migrant Child Care (CMAP), and Emergency Child Care Bridge spaces).<sup>131</sup>
  - Previous years
    - In 2021-22, Governor Newsom committed to adding around 206,800 new publicly funded affordable child care spaces by 2026-27. However, the Governor and the Legislature paused adding new spaces in 2023-24 and 2024-25.<sup>132</sup>
    - The California Budget and Policy Center estimates that in 2023, over 1.8 million children were eligible for affordable child care programs but were not enrolled.<sup>133</sup> Underfunding

affordable child care spaces disproportionately impacts families of color.<sup>134</sup>

- In the 2024-25 May Revise, Governor Newsom proposed to indefinitely pause the expansion of spaces. The Legislature rejected this proposal and, with the support of advocates, came to an agreement with the Governor to continue adding the promised child care spaces.<sup>135</sup>
- The 24-25 State Budget Act codified the child care spaces expansion commitment into law.<sup>136</sup> Statutory language lays out how the State intends to add approximately 206,800 new child care spaces by FY 2027-2028.<sup>137</sup> This plan included no new child care spaces in 2025-26.<sup>138</sup>
- January-May
  - This year, the Governor's 2025-26 January Proposal and May Revise did not include funding for new affordable child care spaces. Governor Newsom only proposed funding to maintain the current number of spaces, following through on the expansion plan's pause for 2025-26.<sup>139</sup>
- June
  - SB 101 (Joint Legislative Proposal) did not include any allocations for additional child care spaces and maintained funding for the current number of spaces.<sup>140</sup> However, Senate<sup>141</sup> and Assembly<sup>142</sup> budget documents noted that the Legislature intended to appropriate \$200 million total (\$150 million in General Funds) in the 2026-27 State Budget for 12,070 new spaces, to be released on July 1, 2026. The proposed breakdown for these new spaces was:
    - 6,770 CAPP
    - 2,500 CCTR
    - 2,800 CSPP<sup>143</sup>
  - AB 102 (Budget Bill Jr.) removed the Legislature's intent to appropriate funding for new spaces in 2026-27. Language in the Assembly Floor Report of the 2025-26 Budget described the removal of these potential new spaces in 2026-27 as a tradeoff for increasing cost of care plus payments for all child care providers in 2025-26.<sup>144</sup>
  - While the 2025-26 State Budget package includes no bill language, funding, or references to the expansion plan, the expansion plan remains in current law<sup>145</sup> and the Assembly Floor Report of the 2025-26 Budget refers to the expansion plan when it highlights the goal of reaching 200,000 new spaces by 2028.<sup>146</sup>

- Looking ahead
  - The expansion plan promises to fund 44,000 new affordable child care spaces in 2026-27 and 33,000 new spaces in 2027-28 (subject to funding in the budget for that fiscal year).<sup>147</sup> The breakdown of these spaces are:
    - 26-27: 12,000 CCTR, 32,000 CAPP<sup>148</sup>
    - 27-28: 17,000 CCTR, 16,000 CAPP<sup>149</sup>
  - The expansion plan also states that any budget child care spaces not awarded during the designated year must be carried over and allocated to the same program in the following fiscal year, until all the promised spaces and vouchers are distributed.<sup>150</sup>
  - However, according to the Legislative Analyst’s Office, the Department of Finance’s projections of future child care costs do *not* include additional funding for the expansion of child care spaces in 2026-27 and 2027-28.<sup>151</sup>
  - In order to fulfill the intent to reach 206,800 total new spaces by 2027-28, the State still needs to commit funding to do so, as the expansion plan is subject to an appropriation in the annual Budget Act.<sup>152</sup>

## Other Child Care Provider United Changes

CCPU represents all FCC and FFN providers in California who provide child care services to families who pay for care with child care subsidies.<sup>153</sup> The CCPU 2025-28 agreement with the State was fully ratified on September, 22 2025. This agreement is effective from September 22, 2025 until July 1, 2028. Below are funding and policy changes that solely impact CCPU members.

- Allows for up to \$100 million to be allocated annually to restore the CCPU Workers Health Care Fund based on total provider enrollment (upon approval by the Department of Finance (“DOF”) and within 90 days of the State receiving CCPU’s annual report).<sup>154</sup>
  - The new enrollment criteria dictate the level at which the Health Care Fund is restored is as follows:
    - 1-10,000 providers - Up to \$50 million
    - 10,001-20,000 providers - Up to \$75 million
    - 20,001 providers and above - Up to \$100 million<sup>155</sup>
      - The CCPU 2023-2025 agreement with the State did not include enrollment criteria; the State previously restored the CCPU Workers Health Care Fund to \$100 million annually, regardless of the number of enrolled child care providers in the benefits program.<sup>156</sup>

- The 2025-28 agreement:
  - Requires CCPU to submit its annual report detailing the distribution of funds from the prior year and the remaining balance to the State no later than June 30 of each year.<sup>157</sup>
  - Requires CCPU to include specific information in its annual report and allows the State to request non-confidential demographic data.<sup>158</sup>
  - Notes that non-direct benefit costs (intended to administer and increase provider enrollment in the fund) cannot exceed \$6 million for each reporting period.<sup>159</sup>
  - Allows CCPU to request up to \$1.5 million “for administrative costs that may be needed while CCPU waits for the State to complete its payment to restore funds.”<sup>160</sup>
- Allows for up to \$80 million to be allocated annually to restore the CCPU Retirement Trust (upon approval by DOF and within 90 days of the State receiving CCPU’s annual report).<sup>161</sup>
  - In years where the base reimbursement rate for child care subsidies is increased, this funding restoration level is subject to increased provider enrollment (compared to the previous year’s enrollment).<sup>162</sup>
    - The CCPU 2023-2025 agreement with the State did not include enrollment criteria in years where the base rate was increased; the State previously restored the CCPU Retirement Trust to \$80 million, regardless of base rate increases or provider enrollment numbers.<sup>163</sup>
    - The 2025-28 agreement:
      - Requires the CCPU Retirement Trust to be restored to \$80 million annually. However, in years where the base reimbursement rate is increased, the fund will only be restored to \$80 million if “the total number of enrollment providers currently providing subsidized child care has increased from the amount of providers reported for the prior year.”<sup>164</sup>
      - Notes that retirement benefits “may include other traditionally provided post-employment benefits.”<sup>165</sup>
      - Requires CCPU to submit its annual report detailing the distribution of funds from the prior year and the remaining balance to the State no later than June 30 of each year.<sup>166</sup>
      - Requires CCPU to include specific information in its annual report and allows the State to request non-confidential demographic data.<sup>167</sup>

- Notes that non-direct benefit costs (intended to administer and increase provider enrollment in the Trust) cannot exceed \$5 million for each reporting period.<sup>168</sup>
  - Allows CCPU to request up to \$1.25 million “for administrative costs that may be needed while CCPU waits for the State to complete its payment to restore funds.”<sup>169</sup>
- Allows for up to \$15 million to be allocated annually to restore the CCPU Training Partnership Fund (upon approval by DOF and within 90 days of the State receiving CCPU’s annual report).<sup>170</sup>
  - The 2025-28 agreement:
    - Requires CCPU to submit its annual report detailing the distribution of funds from the prior year and the remaining balance to the State no later than June 30 of each year.<sup>171</sup>
    - Requires CCPU to include specific information in its annual report and allows the State to request demographic data that is not confidential in nature.<sup>172</sup>
    - Allows CCPU’s annual restoration report to include up to \$3.75 million “for any obligated but unspent funds during the state’s 90-day restoration payment processing.”<sup>173</sup>
- Allows the State and CCPU to reopen negotiations on rates, incentives, and other related economic provisions when the Legislature increases appropriations “for the purpose of families’ child care subsidy reimbursement rates.”<sup>174</sup>
- Requires the State to provide written notice to CCPU once the State has determined it can implement any technology and system improvements to existing processes. The State must also offer to meet and confer with CCPU over the impacts of these improvements before implementing them.<sup>175</sup>
  - These improvements include “utilization of new technology, automation, or new mandatory uniform policies and practices concerning payment and payment reporting procedures for state-funded early care and education programs that directly impact providers.”<sup>176</sup>
- Requires all contractors and state agencies administering state funded early care and education programs to provide an information packet about CCPU (to be supplied by CCPU) to all current FCC and FFN providers.<sup>177</sup>
  - The CCPU 2025-28 agreement with the State notes that all contractors and state agencies administering these programs:
    - Are required to distribute this information packet, but will not incur any costs for distributing the packet, nor will it disrupt their normal business operations.<sup>178</sup>
    - Must deliver this packet to FCC and FFN providers within six months of the agreement’s ratification, and the packet can be delivered “in the manner [the parties] customarily distribute information directly to providers.”<sup>179</sup>

- Clarifies FCC and FFN providers will “not be reimbursed for days on which the provider is not open to provide services” with some exceptions.<sup>180</sup>
  - The following exceptions allow providers to be paid by the State on days when they are not open to provide services:
    - Non-operational days for child care providers paid with vouchers (as provided in the California Code of Regulations, title 5 section 18076.2), and
    - Approved emergency closures for family child care home education network providers funded through California state preschool programs, and migrant child care and development programs, or general child care and development programs under direct contracts (consistent with California Welfare and Institutions Code section 10286.5).<sup>181</sup>

## Other Child Care Funding and Policy Changes

California’s state budget must reflect the values we hold most dear, and be just to everyone involved in child care - children, families, and child care providers. The 2025-26 State Budget:

- Cuts funding to the Emergency Child Care Bridge Program for Foster Children<sup>182</sup> (\$30 million reduction).<sup>183</sup>
  - May
    - To address the projected budget shortfall, Governor Newsom’s May Revise included a \$42.7 million reduction of the program in 25-26 and ongoing. The proposal maintained \$51 million for the program.<sup>184</sup>
  - June
    - SB 101 (Joint Legislative Proposal) modified the Governor’s reduction to \$30 million in 2025-26 and ongoing.<sup>185</sup> The 2025-26 State Budget follows through on this proposal,<sup>186</sup> leaving roughly \$63.7 million “to support the program for state operations and local assistance.”<sup>187</sup>
  - August
    - CDSS issued a [County Fiscal Letter](#) on August 25, 2025, regarding the 2025-26 allocation for the Emergency Child Care Bridge Program for foster children.
- Provides funding for contractors to administer the cost of care plus monthly payments and implement the provisions of CCPU’s agreement with the State (\$114.8 million).<sup>188</sup>
  - May
    - Governor Newsom’s May Revise included \$70 million for Alternative Payment agencies to “maintain administrative funds so agencies can complete ongoing activities

associated with implementing the MOU between the State and CCPU, in addition to agency-level rate reform start-up costs.”<sup>189</sup> Governor Newsom also included \$44.8 million “for Child Care and Development Agencies to administer these [cost of care plus] payments outside of service-contract payments.”<sup>190</sup>

- June
  - On June 10, 2025, the Senate Budget and Fiscal Review Subcommittee No. 3 on Health and Human Services approved both these funding allocations to be included in SB 101 (Joint Legislative Proposal).<sup>191</sup> The Assembly Budget Committee summary of SB 101 also highlighted both these funding allocations.<sup>192</sup>
  - AB 102 (Budget Bill Jr.) includes up to \$70 million to support alternative payment program agencies as they implement the agreement between the State and CCPU.<sup>193</sup>
  - There is not a specific provision or line item in SB 101 or subsequent Budget Bill Juniors for the \$44.8 million allocation, however, the Legislative Analyst’s Office has shared that it is within the total child care and development funding allocation in 2025-26 State Budget package and referred to the CDSS Local Assistance Estimate Appropriation Table and Executive Summary of the budget, which highlights that this \$44.8 million is to maintain funding for administration costs of the cost of care plus payments.<sup>194</sup>
- Includes clean-up language to ensure that a family receives at least 12 months of continuous child care eligibility when they add an additional child to their family size.<sup>195</sup>
  - The 2025-26 Budget adds clarifying language to the California Welfare and Institutions Code section 10271 guaranteeing families with a new child an extended eligibility period to ensure that new child has at least 12 months of continuous eligibility before the family's next recertification.<sup>196</sup>
  - This change ensures that California meets the 2024 Child Care and Development Fund Final Rule (section 98.21(d)) that requires a family who is already participating in a child care subsidy program to receive a minimum of 12-month eligibility services for a newly added child.<sup>197</sup>
  - This trailer bill clean-up language was first proposed in January 2025.<sup>198</sup>

- Includes clean-up language to reduce the documented need for the daily rate from “6 hours or more” to “5 hours or more” for child care providers’ child care subsidy payments.<sup>199</sup>
  - This clean-up language was first proposed in January 2025<sup>200</sup> to align with current part- and full-time definitions.<sup>201</sup>

## California State Preschool Programs (CSPP)

- Allows CSPP contracts to be increased “due to projected increases in the number of three-year-old children served” (\$35.135 million and \$63.475 million in Prop 98 funding).<sup>202</sup>
- Extends availability of the Golden State Teacher Program funds for applications received between July 1, 2025, through June 30, 2026. Students who commit to working at a CSPP for two years can receive these one-time grants of up to \$5,000.<sup>203</sup>
- Extends the expenditure for California Universal Preschool Planning Grant Program funds to 2028 (rather than 2026).<sup>204</sup>
- Makes no changes to the 2024-25 Budget Act that allows two-year-olds to be eligible for CSPP until July 1, 2027.<sup>205</sup>

## Transitional Kindergarten (TK)

- Makes Universal Transitional Kindergarten available to all children who turn four years old by September 1 in the 2025-26 school year (\$2.1 billion ongoing Prop 98).<sup>206</sup>
- Implements a lower average student-to-adult ratio, from 12:1 to 10:1 (\$1.2 billion in ongoing Prop 98 funding).<sup>207</sup>
  - School districts and charter schools that do not comply with the lower average ratio are subject to a penalty.<sup>208</sup>
- Requires the State Superintendent of Instruction to acquire, test, and select a list of potential screeners to support multilingual learners in TK (\$10 million in one-time Prop 98 funding).<sup>209</sup>

## Other Funding and Policies Impacting Children and Families

When every person can work, live, and raise their family with dignity, a more equitable society is possible for everyone.

- California Work Opportunity and Responsibility to Kids (CalWORKs) - The CalWORKs program is a public benefits program that provides modest cash assistance and supportive services, like child care and employment services, to families with the lowest incomes to help meet their basic needs<sup>210</sup> Many participating families in the CalWORKs program have CalWORKs Child Care or are eligible for other publicly funded child care.

- Makes significant changes to the CalWORKs program, in large part due to advocacy of the Reimagine CalWORKs Coalition<sup>211</sup> These changes are:
  - Meant to make the program “more family-centered and easier to navigate.”<sup>212</sup> For more information, [click here](#).
  - Effective July 1, 2026, or after (depending on updates to the California Statewide Automated Welfare System).<sup>213</sup>
- Some of the major changes include:
  - Requiring county workers to do a child care check before sanctioning families.<sup>214</sup>
    - This means that before a family can be sanctioned, the county must first verify:
      - If the family received a child care request form and the reimbursement rules for affordable child care services; and,
      - That the family, if eligible, had secured child care.<sup>215</sup>
    - Additionally, a family cannot be sanctioned if child care was not available at the time they were supposed to participate in a welfare-to-work activity.<sup>216</sup>
  - Prohibiting sanctions to families for the first 90 days they are in the CalWORKs program.<sup>217</sup>
  - Expanding the list of permissible welfare-to-work activities.<sup>218</sup>
  - Providing advanced pay for necessary transportation, rather than requiring families to submit a request and wait to be reimbursed.<sup>219</sup>
  - Expanding the definition of “transportation costs” to include the transport of children when it is necessary for a family to participate in a welfare-to-work activity or assignment.<sup>220</sup>
- Diapers
  - Funding allocated to a list of organizations that provide diaper and wipe distribution to families with low incomes who have infants and toddlers (\$7.4 million).<sup>221</sup>
  - Funding to implement Governor Newsom’s Diaper Access Initiative (\$7.4 million one-time).<sup>222</sup>
    - Department of Health Care Access and Information will run this program and provide a three-month supply of diapers to all California families (regardless of income) with newborn babies via hospital systems.<sup>223</sup>
    - The 2025-26 State Budget summary also notes that there will be \$12.5 million General Fund appropriated in 26-27 for this program.<sup>224</sup>
      - DOF noted in the June 25, 2025, Senate Budget and Fiscal Review Committee hearing that, in 2026-27, the Governor intends to move to “phase 2” and explore options for a commercial distribution model.<sup>225</sup>

- Health Care
  - California state policymakers passed discriminatory policies and cuts in the 25-26 State Budget that target immigrants and strip Californians of basic need health care services. Federal lawmakers also made inhumane cuts to life saving programs through [H.R. 1](#). Learn more from our partners [here](#). You can also read the Child Care Law Center’s response [here](#).

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<sup>1</sup> See [Cal. Welf. & Inst. Code § 10421](#) (providing statutory authority for licensed family child care providers and license-exempt home-based family-friend-neighbor providers to unionize and collectively bargain with the state), see also Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>2</sup> Cal. Dep’t Soc. Servs., *2025 Budget Act Executive Summary 3* (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-budget-act-exec-summary.pdf#page=3>. Note, the Department of Finance (“DOF”) Full Budget Summary states that the total funding for California Department of Social Services (“CDSS”) administered child care and development programs is \$7.3 billion (\$4.7 billion General Fund), as it is inclusive of funding for the Child and Adult Care Food Program (CACFP) and State Operation costs. See Cal. Dep’t Finance, *California State Budget 2025-2026 44* (2025), <https://ebudget.ca.gov/2025-26/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf#page=44>. Also, note that the total funding amount will change as CDSS has yet to include the additional allocations made in September (via SB 105 and SB 151) as a result of the ratified 2025-2028 Child Care Providers United and State agreement dated September 22, 2025. CDSS is currently working on updating their appropriation table to reflect these allocations. See E-mail from Cal. Dep’t Soc. Servs., Fin. & Accounting Div. to Julia Forte Frudden, Senior Pol’y Analyst, Child Care L. Ctr. (Oct. 6, 2025) (on file with Child Care L. Ctr.) (email communication explaining the difference between CDSS and DOF total funding amounts, as well as when CDSS will update the total funding amount).

<sup>3</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 8(b) (Cal. 2025), Ch. 108, Statutes of 2025.

<sup>4</sup> [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 187 Item 5180-101-0001 (Cal. 2025), Ch. 104, Statutes of 2025 ([AB 102](#) previously allocated \$4,357,930,000. The new amount in SB 105 is \$4,361,317,000, an increase of \$3.387 million); see also Cal. S. Comm. Budget & Fiscal Review, *September 10, 2025 - Hearing Agenda 8* (Sept. 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-09/september\\_10\\_2025\\_hearing\\_agenda.pdf](https://sbud.senate.ca.gov/system/files/2025-09/september_10_2025_hearing_agenda.pdf) (“This includes an additional \$3.39 million General Fund for the child care cost-of-living adjustment (COLA)...”). Note that this document incorrectly refers to the increase in cost of care plus as a COLA. While the increased cost of care plus payment is based on the funding for the suspended child care and CSPP COLAs; the increased payment amount is not itself a COLA.

<sup>5</sup> While the state intends to use an alternative methodology per [Cal. Welf. & Inst. Code section 10227.6\(l\)](#), the state maintains the same reimbursement rates effective since January 1, 2022. See [Cal. Welf. & Inst. Code § 10280\(b\)-\(c\)](#) (pertaining to payment rates for direct contract child care programs without a sunset date. Direct contract providers are paid based on the 75th percentile of the RMR or the contract per-child reimbursement amount existing on December 31, 2021 (SRR)); [Cal. Welf. & Inst. Code § 10374.5](#) (pertaining to payment rates for CalWORKs and non-CalWORKs voucher-based programs without a sunset date. Voucher-based program providers are paid based on the 75th percentile of the 2018 RMR or the RMR ceilings existing on December 31, 2021); [Cal. Educ. Code § 8242\(c\)](#) (pertaining to payment rates for CSPP programs without a sunset date. CDE contract providers are paid based on the 75th percentile of the RMR or the contract per-child reimbursement amount existing on December 31, 2021 (SRR)). While section 10374.5 is in the CalWORKs child care chapter, CDSS regulations and agency guidance states that contractors must reimburse providers paid with vouchers based on the regional market rate ceiling established by WIC section 10374.5. See [Cal. Code Regs. tit. 5 § 18074.1\(c\)](#) (defining the regional market rate ceilings as “the maximum amount calculated by the Department...in accordance

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with statutory ceilings currently in effect”); e.g., Cal. Dep’t Soc. Servs., *Child Care Bulletin 21-21 3* (Nov. 29, 2021) <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/CCBs/2021/CCB%2021-21.pdf?ver=2021-12-01-101859-547#page=3>; Cal. Dep’t Soc. Servs., *Alternative Payment Programs (CAPP) FY 2025-26 58*, <https://www.cdss.ca.gov/inforesources/child-care-and-development/contractor-resources> (effective July 1, 2025 and available for download).

<sup>6</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)](#) and continuing cost of care plus payments to family child care providers) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(c\)\(2\)](#) and continuing the cost of care plus payments to child care center providers).

<sup>7</sup> See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(b\)\(1\) & \(c\)\(2\)\(A\)](#) and increasing the cost of care plus payment amount for family child care providers by a calculation laid out in statute) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(b\)\(1\) & \(c\)\(2\)](#) and increasing the cost of care plus payment amount for child care center providers by a calculation laid out in statute).

<sup>8</sup> See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(d\)](#) and requiring CDSS to issue a “one-time, per-child stabilization payment” for family child care providers) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(d\)](#) and requiring CDSS to issue a “one-time, per-child stabilization payment” for child care center providers).

<sup>9</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 1 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Educ. Code § 8242\(d\)\(2\)](#) removing a cost-of-living adjustment for programs operated in local education agencies (“LEA”)) & [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 10 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10280\(d\)](#) and removing a cost-of-living adjustment for programs operating in non-LEAs).

<sup>10</sup> See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)](#)) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(a\)](#)). This funding pays for increased cost of care plus payments for CDSS-administered publicly funded child care programs and California State Preschool programs (“CSPP”) programs.

<sup>11</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(m\)](#)).

<sup>12</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 2 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.5\(d\)\(3\)](#)).

<sup>13</sup> See [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 187 Item 5180-101-0001 Provision 19 (Cal. 2025), Ch. 104, Statutes of 2025 (funding to implement prospective pay policies for CDSS-administered publicly funded child care programs), [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 209 Item 6100-194-0001 Provisions 9 and 10 (Cal. 2025), Ch. 104, Statutes of 2025 (funding to implement prospective pay policies and automation for prospective pay for CSPP non-LEAs); [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 211 Item 6100-196-0001 Provisions 9 and 10 (Cal. 2025), Ch. 104, Statutes of 2025 (funding to implement prospective pay policies and automation for prospective pay for CSPPs that are in LEAs).

<sup>14</sup> See [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 161 Item 5180-101-0890 Provision 7 (Cal. 2025), Ch. 5, Statutes of 2025 (funding to implement a single rate structure) & [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 195 Item 6100-001-0001 Provision 129 (Cal. 2025), Ch. 104, Statutes of 2025 (funding to cover 8 positions at the California State Preschool Program) & E-mail from Virginia Early, Pol’y Off. Administrator, Cal. Dep’t Educ., Early Educ. Div. to Julia Forte Frudden, Senior Pol’y Analyst, Child Care L. Ctr. (Sept. 8, 2025) (on file with Child Care L. Ctr.) (email communication clarifying the funding in this provision is “to implement rate reform.”).

<sup>15</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU)*, upon ratification through July 1, 2028, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>16</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(l\)\(2\)\(E\)](#)) & Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of*

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California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>17</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>18</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>19</sup> See [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 160 Item 5180-101-0001 Provision 12 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>20</sup> See Cal. Legis. Analyst's Off., *The 2025-26 Budget: Child Care and State Preschool* 3, fig. 2 (Mar. 28, 2025), <https://lao.ca.gov/reports/2025/5024/Child-Care-and-State-Preschool-032825.pdf> (figure outlining the number of spaces created through 2024-25).

<sup>21</sup> See [S. B. 163](#), 2023-24 Leg. Reg. Sess. § 19 (Cal. 2024), Ch. 73, Statutes of 2024 ([adding Cal. Welf. & Inst. Code § 10212.6\(2\)](#)) and showing that after the 2024-25 fiscal year and subject to funding, the following year of the child care expansion plan is 2026-27).

<sup>22</sup> Cal. Dep't Finance, *California State Budget 2025-2026* 44 (2025), <https://ebudget.ca.gov/2025-26/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf>.

<sup>23</sup> While the state intends to use an alternative methodology per [Cal. Welf. & Inst. Code section 10227.6\(l\)](#), the state maintains the same reimbursement rates effective since January 1, 2022. See [Cal. Welf. & Inst. Code § 10280\(b\)-\(c\)](#) (pertaining to payment rates for direct contract child care programs without a sunset date. Direct contract providers are paid based on the 75th percentile of the RMR or the contract per-child reimbursement amount existing on December 31, 2021 (SRR)); [Cal. Welf. & Inst. Code § 10374.5](#) (pertaining to payment rates for CalWORKs and non-CalWORKs voucher-based programs without a sunset date. Voucher-based program providers are paid based on the 75th percentile of the 2018 RMR or the RMR ceilings existing on December 31, 2021); [Cal. Educ. Code § 8242\(c\)](#) (pertaining to payment rates for CSPP programs without a sunset date. CDE contract providers are paid based on the 75th percentile of the RMR or the contract per-child reimbursement amount existing on December 31, 2021 (SRR)). While section 10374.5 is in the CalWORKs child care chapter, CDSS regulations and agency guidance states that contractors must reimburse providers paid with vouchers based on the regional market rate ceiling established by WIC section 10374.5. See [Cal. Code Regs. tit. 5 § 18074.1\(c\)](#) (defining the regional market rate ceilings as "the maximum amount calculated by the Department...in accordance with statutory ceilings currently in effect"); e.g., Cal. Dep't Soc. Servs., *Child Care Bulletin 21-21* 3 (Nov. 29, 2021) <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/CCBs/2021/CCB%2021-21.pdf?ver=2021-12-01-101859-547#page=3>; Cal. Dep't Soc. Servs., *Alternative Payment Programs (CAPP) FY 2025-26* 58, <https://www.cdss.ca.gov/inforesources/child-care-and-development/contractor-resources> (effective July 1, 2025 and available for download).

<sup>24</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)](#)) and continuing cost of care plus payments to family child care providers) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(c\)\(2\)](#)) and continuing the cost of care plus payments to child care center providers).

<sup>25</sup> Note that some legislators and legislative documents have incorrectly referred to this increase to the cost of care plus monthly payments as a COLA. While the increased cost of care plus payment is based on the funding for the suspended child care and CSPP COLAs, the increased payment amount is not itself a COLA. Thus, we refer to it as an increase to the cost of care plus payment as it is written in the law. See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(b\)\(1\) & \(c\)\(2\)\(A\)](#)) and increasing the cost of care plus payment amount for family child care providers by a calculation laid out in statute) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(b\)\(1\) & \(c\)\(2\)](#)) and increasing the cost of care plus payment amount for child care center providers by a calculation laid out in statute).

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- <sup>26</sup> See [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 160 Item 5180-101-0001 (Cal. 2025), Ch. 5, Statutes of 2025 (increasing the funding for Schedule (3) 4270020-Child Care from \$4,298,570,000 in [SB 101](#) to the \$4,357,930,000 in AB 102, an increase of \$59,360,000. This is the DSS portion of the COLA funds); see also [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 209 Item 6100-194-0001 Provision 8 (Cal. 2025), Ch. 104, Statutes of 2025 (adding \$10,172,000 general fund (“GF”) for CSPP not in LEAs to increase their cost of care plus payment amounts).
- <sup>27</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)](#)) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(a\)](#)).
- <sup>28</sup> [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 211. Item 6100-196-0001 Provision 8 (Cal. 2025), Ch. 104, Statutes of 2025.
- <sup>29</sup> [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 187 Item 5180-101-0001 (Cal. 2025), Ch. 104, Statutes of 2025 (increasing the funding for Schedule (3) 4270020-Child Care from 4,357,930,000 in [AB 102](#) to 4,361,317,000 in SB 105; see also Cal. S. Comm. Budget & Fiscal Review, *September 10, 2025 - Hearing Agenda 8* (Sept. 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-09/september\\_10\\_2025\\_hearing\\_agenda.pdf](https://sbud.senate.ca.gov/system/files/2025-09/september_10_2025_hearing_agenda.pdf) (“This includes an additional \$3.39 million General Fund for the child care cost-of-living adjustment (COLA)...”). Note that this document incorrectly refers to the increase in cost of care plus payment amount as a COLA. While the increased cost of care plus payment amount is based on the funding for the suspended child care and CSPP COLAs; the increased payment amount is not itself a COLA.
- <sup>30</sup> See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(b\)\(3\)](#)) and defining the different geographic regions) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(b\)\(3\)](#)).
- <sup>31</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(b\)\(2\)](#)).
- <sup>32</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025) (defining the range of payments for FFN providers) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)\(C\)](#)) and providing the statutory authority for these payments).
- <sup>33</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)\(E\)](#)) and defining the range of the increased cost of care plus payment amounts per region for FFN providers).
- <sup>34</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(b\)\(2\)](#)).
- <sup>35</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025) (defining the range of payments for FCC providers) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)\(C\)](#)) and providing the statutory authority for these payments).
- <sup>36</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)\(E\)](#)) and defining the range of the increased cost of care plus payment amounts per region for FCC providers).
- <sup>37</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(c\)\(3\)\(A\)](#)) and defining the range of the increased cost of care plus payment amounts per region for child care center providers).
- <sup>38</sup> Cal. Dep’t Finance, *California State Budget 2025-2026 57* (2025), <https://ebudget.ca.gov/2025-26/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf> (“The Budget maintains funding to continue the Cost of Care Plus Rate monthly payments adopted for state-subsidized child care providers, consistent with requirements related to the reimbursement floor established in the 2024 Budget Act.”).

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<sup>39</sup> See [S. B. 163](#), 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Ch. 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6\(h\)](#)); [S.B. 140](#), 2023-2024 Leg. Reg. Sess § 10(b) (Cal. 2023), Ch. 193, Statutes of 2023 ([adding Cal. Welf. & Inst. Code § 10277.1](#) and adding cost of care plus rates for FCC providers) & [S.B. 140](#), 2023-2024 Leg. Reg. Sess § 11(b) (Cal. 2023), Ch. 193, Statutes of 2023 ([adding Cal. Welf. & Inst. Code § 10277.2](#) and adding cost of care plus rates for child care center providers).

<sup>40</sup> Cal. Dep't Finance, *May Revision 2025-26* 44 (2025), <https://ebudget.ca.gov/2025-26/pdf/Revised/BudgetSummary/FullBudgetSummary.pdf> ("The May Revision maintains funding to continue the Cost of Care Plus Rate monthly payments adopted for state-subsidized child care providers, consistent with requirements related to the reimbursement floor established in the 2024 Budget Act.").

<sup>41</sup> See Cal. Dep't Finance, *May Revision 2025-26* 22-23, 44 (2025), <https://ebudget.ca.gov/2025-26/pdf/Revised/BudgetSummary/FullBudgetSummary.pdf> (arriving to the \$70.9 million total by combining the reduction of \$10.2 million from CSPP COLAs and \$60.7 million from CDSS-administered publicly funded child care programs).

<sup>42</sup> Cal. Assemb. Comm. Budget, *Subcommittee Report 2025-2026 Budget 58* (June 9, 2025), <https://abgt.assembly.ca.gov/system/files/2025-06/subcommittee-report-of-the-2025-26-budget-updated-ii.pdf>.

<sup>43</sup> Cal. S. Comm. Budget & Fiscal Review, *The Legislature's Version of the 2025-26 State Budget 17* (June 9, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/legislature-s-version-of-the-budget-summary-sb-101-final\\_3.pdf](https://sbud.senate.ca.gov/system/files/2025-06/legislature-s-version-of-the-budget-summary-sb-101-final_3.pdf).

<sup>44</sup> See [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 160 Item 5180-101-0001 (Cal. 2025), Ch. 5, Statutes of 2025 (increasing the funding for Schedule (3) 4270020-Child Care from \$4,298,570,000 in [SB 101](#) to \$4,357,930,000 in AB 102; an increase of \$59,360,000); this is the DSS portion of the COLA funds; [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 178 Item 6100-194-0001 Provision 8 (Cal. 2025), Ch. 5, Statutes of 2025 (increasing \$10,172,000 GF for CSPP non-LEAs to increase their cost of care plus payment amounts).

<sup>45</sup> See Cal. S. Comm. Budget & Fiscal Review, *Summary of the Budget Act of 2025 14* (June 24, 2025), <https://sbud.senate.ca.gov/system/files/2025-06/summary-of-the-budget-act-of-2025-final-1.pdf> ("Repurposes the \$70 million in cost-of-living adjustment funds proposed to be suspended, and instead provides \$70 million for a rate increase to all subsidized child care and preschool providers.").

<sup>46</sup> See [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 179 Item 6100-196-0001 Provision 8 (Cal. 2025), Ch. 5, Statutes of 2025 (adding funding for CSPPs in LEAs).

<sup>47</sup> Because CCPU and the State were still negotiating the 2025-2028 agreement, the 2023-2025 agreement was still the controlling contract. See [Cal. Welf. & Inst. Code § 10427\(a\)](#) ("If a memorandum of understanding has expired, and the Governor or the Governor's representative and the certified provider organization have not agreed to a new memorandum of understanding and have not reached an impasse in negotiations, subject to subdivision (b), the parties to the agreement shall continue to give effect to the provisions of the expired memorandum of understanding, including, but not limited to, all provisions that supersede existing law, any arbitration provisions, any no strike provisions, and any provisions covering membership dues consistent with Section 10426.5."). Thus, as the 2023-2025 CCPU and State agreement did not include the increased amounts to the cost of care plus payment, FCC and FFN providers did not receive the increased cost of care payments. See [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 8 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(l\)](#)) ("If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 10426, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act."); see also Cal. Dep't Soc. Servs., *2025 Budget Act Executive Summary 6* (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-budget-act-exec-summary.pdf> ("Increases for Child Care Centers are effective for services provided July 2025. [Cost of care plus] payment increases for Family Child Care Providers are not in effect and are contingent upon final negotiation and Legislative ratification of the contract between the State and the Child Care Providers Union."); Cal. Dep't Soc. Servs., *Child Care Bulletin 25-23 6* (Sept. 22, 2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and->

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[Notices/CCBs/2025/CCB\\_25-23.pdf?ver=Zoj0gfdROY1EJ3ScAVyzMQ%3d%3d#page=6](https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-budget-act-exec-summary.pdf) (“Licensed Family Child Care Homes (FCCH) and License-Exempt Family, Friend and Neighbor (FFN) providers – There is no change at this time to the [cost of care plus (“COC+”)] rate for these child care providers. Pursuant to WIC section 10277.1, as amended by SB 120, the new COC+ rate applies to family child care providers beginning July 1, 2025 and through June 30, 2026, just as it does to child care centers. However, WIC section 10277.1(l) specifies that if the provisions of the section conflict with an MOU reached pursuant to Section 10426 of the Building a Better Early Care and Education System Act, the MOU controls. The existing COC+ rates outlined in Article 7.2 of the Agreement between the State and CCPU are in conflict with the new rate in WIC 10277.1. Therefore, until further notice, Article 7.2 of the MOU that expired on July 1, 2025 continues to govern the COC+ rate for family child care providers.”).

<sup>48</sup> Cal. Dep’t Soc. Servs., *2025 Budget Act Executive Summary* 6 (2025),

<https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-budget-act-exec-summary.pdf> (“Increases for Child Care Centers are effective for services provided July 2025.”); see also Cal. Dep’t Soc. Servs., *Child Care Bulletin* 25-23 5 (Sept. 22, 2025), [https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/CCBs/2025/CCB\\_25-23.pdf?ver=Zoj0gfdROY1EJ3ScAVyzMQ%3d%3d#page=5](https://www.cdss.ca.gov/Portals/9/Additional-Resources/Letters-and-Notices/CCBs/2025/CCB_25-23.pdf?ver=Zoj0gfdROY1EJ3ScAVyzMQ%3d%3d#page=5) (“Pursuant to WIC section 10277.2, as amended by SB 120, centers shall receive the increased [cost of care plus] payment commencing July 1, 2025, and through June 30, 2026.”).

<sup>49</sup> See [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 9 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(c\)\(3\)](#)). CCPU does not represent child care center providers. See [Cal. Welf. & Inst. Code § 10421 \(a\)-\(b\)](#) (defining that a certified provider information represents family child care providers and child care providers include FCC and FFN providers who participate in a publicly funded early care and education program as defined) & Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>50</sup> [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 187 Item 5180-101-0001 (Cal. 2025), Ch. 104, Statutes of 2025 (increasing the funding for Schedule (3) 4277020-Child Care from 4,357,930,000 in [AB 102](#) to 4,361,317,000 in SB 105; see also Cal. S. Comm. Budget & Fiscal Review, *September 10, 2025 - Hearing Agenda* 8 (Sept. 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-09/september\\_10\\_2025\\_hearing\\_agenda.pdf#page=8](https://sbud.senate.ca.gov/system/files/2025-09/september_10_2025_hearing_agenda.pdf#page=8) (“This includes an additional \$3.39 million General Fund for the child care cost-of-living adjustment (COLA)...”). Note that this document incorrectly refers to the increase in cost of care plus as a COLA. While the increased cost of care plus payment amount is based on the funding for the suspended child care and CSPP COLAs, the increased payment amount is not itself a COLA.

<sup>51</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)](#) and continuing cost of care plus payments to family child care providers) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(c\)\(2\)](#) and continuing the cost of care plus payments to child care center providers).

<sup>52</sup> See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)\(A\), \(c\)\(2\)\(D\), \(c\)\(2\)\(E\)](#) and describing how the increased cost of care payments are calculated and defining the exact increases to the cost of care payment amounts for FCC and FFN providers) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(c\)\(2\) & \(c\)\(3\)](#) and describing how the increased cost of care payments are calculated and defining the exact increases to the cost of care payment amounts for child care center providers).

<sup>53</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)\(C\)](#)) & Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>54</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(c\)\(2\)\(C\)](#)) & Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*,

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Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>55</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>56</sup> See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(d\)](#) and requiring CDSS to issue a “one-time, per-child stabilization payment” for FCC and FFN providers) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(d\)](#) and requiring CDSS to issue a “one-time, per-child stabilization payment” for child care center providers).

<sup>57</sup> The total funding comes from multiple sources in the budget package. See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 8 (Cal. 2025), Ch. 108, Statutes of 2025 (including \$157,852,000 for “for the purpose of making one-time, per-child stabilization payments to both family childcare providers and childcare centers, inclusive of allowable administration cost to contractors”); [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 211 Item 6100-196-0001 Provision 11 (Cal. 2025), Ch. 104, Statutes of 2025 (including \$37,014,000 on a one-time basis to provide “per-child stabilization payments to support California State Preschool providers”); [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 209 Item 6100-194-0001 Provision 11 (Cal. 2025), Ch. 104, Statutes of 2025 (including \$15,568,000 on a one-time basis to provide “per-child stabilization payments to support California State Preschool providers” in non-LEAs).

<sup>58</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(d\)\(1\)](#)).

<sup>59</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(d\)](#)).

<sup>60</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(d\)\(2\)\(A\)](#)).

<sup>61</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 3 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.1\(d\)\(2\)\(B\)](#)).

<sup>62</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(d\)](#)).

<sup>63</sup> See Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>64</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>65</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.2\(d\)](#)).

<sup>66</sup> See [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 211 Item 6100-196-0001 Provision 11 (Cal. 2025), Ch. 104, Statutes of 2025 (including \$37,014,000 on a one-time basis to provide “per-child stabilization payments to support California State Preschool providers”), [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 209. Item 6100-194-0001 Provision 11 (Cal. 2025), Ch. 104, Statutes of 2025 (including \$15,568,000 on a one-time basis to provide “per-child stabilization payments to support California State Preschool providers” in non-LEAs).

<sup>67</sup> The total funding comes from multiple sources in the budget package. See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 8 (Cal. 2025), Ch. 108, Statutes of 2025 (including \$157,852,000 for “for the purpose of making one-time, per-child stabilization payments to both family childcare providers and childcare centers, inclusive of allowable administration cost to contractors”), [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 209. Item 6100-194-0001 Provision 11 (Cal. 2025), Ch. 104, Statutes of 2025 (including \$15,568,000 on a one-time basis to provide “per-child stabilization payments to support California State Preschool providers” in non-LEAs), [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 211 Item 6100-196-0001 Provision 11 (Cal. 2025), Ch. 104, Statutes of 2025 (including \$37,014,000 on a one-time basis to provide “per-child stabilization payments to support California State Preschool providers” in LEAs).

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<sup>68</sup> Cal. S. Comm. Budget & Fiscal Review, *September 10, 2025 - Hearing Agenda 26 & 8* (Sept. 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-09/september\\_10\\_2025\\_hearing\\_agenda.pdf](https://sbud.senate.ca.gov/system/files/2025-09/september_10_2025_hearing_agenda.pdf)[https://sbud.senate.ca.gov/system/files/2025-09/september\\_10\\_2025\\_hearing\\_agenda.pdf#page=8](https://sbud.senate.ca.gov/system/files/2025-09/september_10_2025_hearing_agenda.pdf#page=8).

<sup>69</sup> See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 1 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Educ. Code § 8245.5\(d\)](#)) to continue to pay CSPP full-day and part-day programs based on maximum certified hours of care instead of attendance until July 1, 2028) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 2 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.5\(d\)\(3\)](#)) to continue to pay based on maximum authorized hours of care instead of attendance for FCC, FFN, and child care center programs that participate in CDSS-administered publicly funded child care programs until July 1, 2028).

<sup>70</sup> Note, CCLC was unable to locate the exact provision that allocates Prop 98 funding for CSPP LEA programs to be paid based on maximum enrollment, but located the provision for GF funding. See [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.5\(g\)](#)).

<sup>71</sup> See [45 C.F.R. § 98.45\(m\)\(1\)-\(2\)](#) (“Support the fixed costs of providing child care services by delinking provider payments from a child’s occasional absences by: (i) Basing payment on a child’s authorized enrollment; or, (ii) An alternative approach for which the Lead Agency provides a justification in its Plan that the requirements at paragraph (m)(2)(i) of this section are not practicable, including evidence that the alternative approach will not undermine the stability of child care programs.”); see also U.S. Admin. for Child. & Families, Off. of Child Care, *Overview of 2024 CCDF Final Rule: Improving Child Care Access, Affordability, and Stability in the Child Care and Development Fund* (July 19, 2024), [https://acf.gov/occ/law-regulation/overview-2024-ccdf-final-rule-improving-child-care-access-affordability#:~:text=Requires%20States%20and%20Territories%20to%20use,stab%20\(%C2%A7%2098.45\(m\)\(1\)%20and%20\(2\)\)](https://acf.gov/occ/law-regulation/overview-2024-ccdf-final-rule-improving-child-care-access-affordability#:~:text=Requires%20States%20and%20Territories%20to%20use,stab%20(%C2%A7%2098.45(m)(1)%20and%20(2))) (providing an overview of federal rule changes including 45 C.F.R. § 98.45).

<sup>72</sup> See Cal. Budget & Pol’y Ctr., *Understanding the Governor’s 2025-26 State Budget Proposal* (Jan. 2025), <https://calbudgetcenter.org/resources/understanding-the-governors-2025-26-state-budget-proposal/#h-amid-union-negotiations-governor-maintains-prior-child-care-commitments> (“...continuation of the hold harmless policy to pay providers based on enrollment[] is not reflected in the budget proposal.”).

<sup>73</sup> Cal. S. Comm. Budget & Fiscal Review Subcomm. No. 3 on Health & Hum. Servs., *Agenda - Health and Human Services 130* (June 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025\\_final.pdf#page=130](https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025_final.pdf#page=130) (“Partial approval of this request is contingent on the adoption of trailer bill language to reimburse child care providers based on enrollment by January 1, 2026.”).

<sup>74</sup> See [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 2 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Educ. Code § 8245.5\(d\)](#)) and from 2023-2026, paying CSPP full-day and part-day programs based on maximum certified hours of care instead of attendance) & [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 4 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.5\(d\)\(3\)](#)) and from 2023-2026, paying based on maximum authorized hours of care instead of attendance for FCC, FFN, and child care center programs that participate in CDSS-administered publicly funded child care programs).

<sup>75</sup> See Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>76</sup> See [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 1 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Educ. Code § 8245.5\(d\)](#)) to continue to pay CSPP full-day and part-day programs based on maximum certified hours of care instead of attendance until July 1, 2028) & [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 2 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.5\(d\)\(3\)](#)) to continue to pay based on maximum authorized hours of care instead of attendance for FCC, FFN, and child care center programs that participate in CDSS-administered publicly funded child care programs until July 1, 2028).

<sup>77</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 1 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Educ. Code § 8242\(e\)](#)) and providing a COLA for CSPP programs in alignment with [Cal. Welf. & Inst. Code § 10227.6\(m\)](#)) & [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025

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(amending [Cal. Welf. & Inst. Code § 10227.6\(m\)](#)) and providing a COLA for all child care providers who participate in CDSS-administered publicly funded child care programs. The COLA minimum annual rate increase is determined following the calculation in [Cal. Educ. Code § 42238.15](#)).

<sup>78</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 1 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Educ. Code § 8242\(d\)\(2\)](#)) removing for fiscal year 2025-26 COLAs for CSPPs) & [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 10 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf & Inst. Code § 10280\(d\)](#)) and removing for fiscal year 2025-26 COLAs for all CDSS-administered publicly funded child care programs).

<sup>79</sup> See Cal. Budget & Pol’y Ctr., *Understanding the Governor’s 2025-26 State Budget Proposal* (Jan. 2025), <https://calbudgetcenter.org/resources/understanding-the-governors-2025-26-state-budget-proposal/#h-amid-union-negotiations-governor-maintains-prior-child-care-commitments> (“The COLA elimination only applies to providers still paid through the standard reimbursement rate (SRR), equating to a \$60.7 million reduction. The majority of providers are paid through the regional market rate (RMR) and do not receive a COLA.”).

<sup>80</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(m\)](#)).

<sup>81</sup> The total funding comes from multiple sources in the budget package. See [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 187 Item 5180-101-0001 Provision 19 (Cal. 2025), Ch. 104, Statutes of 2025 (providing \$30,091,000 to implement prospective pay policies for Department of Social Services child care programs); [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 209 Item 6100-194-0001 Provision 9 (Cal. 2025), Ch. 104, Statutes of 2025 (providing \$2,730,000 General Fund dollars to implement prospective pay for CSPP non-LEAs); [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 209 Item 6100-194-0001 Provision 10 (Cal. 2025), Ch. 104, Statutes of 2025 (providing \$336,000 Prop 98 funding for prospective pay automation for CSPP non-LEAs); [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 211 Item 6100-196-0001 Provision 9 (Cal. 2025), Ch. 104, Statutes of 2025 (providing \$5,720,000 Prop 98 funding to implement prospective pay for LEA CSPPs); [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 211 Item 6100-196-0001 Provision 10 (Cal. 2025), Ch. 104, Statutes of 2025 (providing \$704,000 Prop 98 funding to implement prospective pay automation for LEA CSPPs).

<sup>82</sup> Admin. for Child. & Families, *Final 2024 Rule Implementation (Dec. 2024 update)* 2 (2024), <https://acf.gov/sites/default/files/documents/occ/2024-CCDF-Final-Rule-Implementation-Fact-Sheet.pdf#page=2>.

<sup>83</sup> Letter from Dr. Ruth J. Riedman, Director, Off. of Child Care, U.S. Admin. Child. & Families to Dr. Lupe Jaime-Mileham, Cal. Deputy Director, Cal. Dep’t Soc. Servs., Child Care & Dev. Div 1 (Nov. 22, 2024) ([available online](#)).

<sup>84</sup> Cal. Dep’t Soc. Servs., *2025 May Revision Executive Summary* 6 (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-26/2025-may-revision-executive-summary.pdf#page=6>.

<sup>85</sup> See [45 C.F.R § 98.45\(m\)\(1\)-\(2\)](#).

<sup>86</sup> Cal. Dep’t Soc. Servs., *2025 May Revision Executive Summary* 6 (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-26/2025-may-revision-executive-summary.pdf#page=6>.

<sup>87</sup> Cal. S. Comm. Budget & Fiscal Review Subcomm. No. 3 on Health & Hum. Servs., *Agenda - Health and Human Services* 130 (June 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025\\_final.pdf#page=130](https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025_final.pdf#page=130).

<sup>88</sup> Cal. S. Comm. Budget & Fiscal Review Subcomm. No. 3 on Health & Hum. Servs., *Agenda - Health and Human Services* 130 (June 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025\\_final.pdf#page=130](https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025_final.pdf#page=130).

<sup>89</sup> [S. B. 101](#), 2025-26 Leg. Reg. Sess. § 2 Item 5180-101-0001 Provision 19 (Cal. 2025), Ch. 4, Statutes of 2025.

<sup>90</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 160 Item 5180-101-0001 Provision 19 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>91</sup> See E-mail from Cal. Dep’t Soc. Servs., Fin. & Accounting Div. to Julia Forte Frudden, Senior Pol’y Analyst, Child Care L. Ctr. (July 2, 2025) (on file with Child Care L. Ctr.) (email communication explaining how \$30.1 million is allocated regarding prospective pay).

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<sup>92</sup> The total funding comes from multiple sources in the budget package. See [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 178 Item 6100-194-0001 Provision 9 (Cal. 2025), Ch. 5, Statutes of 2025 (including \$2,730,000 for prospective pay implementation for CSPP non-LEAs); [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 178 Item 6100-194-0001 Provision 10 (Cal. 2025), Ch. 5, Statutes of 2025 (including \$336,000 for prospective pay automation for CSPP non-LEAs); [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 179 Item 6100-196-0001 Provision 9 (Cal. 2025), Ch. 5, Statutes of 2025 (including \$5,720,000 Prop 98 funds for prospective pay implementation for CSPP LEAs); [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 179 Item 6100-196-0001 Provision 10 (Cal. 2025), Ch. 5, Statutes of 2025 (including \$704,000 Prop 98 funds for prospective pay automation for CSPP LEAs).

<sup>93</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>94</sup> See [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 187 Item 5180-101-0001 Provision 19 (Cal. 2025), Ch. 104, Statutes of 2025; [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 209 Item 6100-194-0001 Provision 9 & 10 (Cal. 2025), Ch. 104, Statutes of 2025; [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 211 Item 6100-196-0001 Provision 9 & 10 (Cal. 2025), Ch. 104, Statutes of 2025.

<sup>95</sup> Letter from Dr. Ruth J. Riedman, Director, Off. of Child Care, U.S. Admin. for Child. & Families to Dr. Lupe Jaime-Mileham, Cal. Deputy Director, Cal. Dep't Soc. Servs., Child Care & Dev. Div 1 (Nov. 22, 2024) ([available online](#)).

<sup>96</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>97</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(h\)](#)).

<sup>98</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(h\)](#)).

<sup>99</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(h\)](#)).

<sup>100</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 161 Item 5180-101-0890 Provision 7 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>101</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 161 Item 5180-101-0890 Provision 7 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>102</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 161 Item 5180-101-0890 Provision 7(c) (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>103</sup> Cal. Dep't Soc. Servs., *2025 May Revision Executive Summary 6* (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-26/2025-may-revision-executive-summary.pdf#page=6>.

<sup>104</sup> Cal. Dep't Soc. Servs., *2025 May Revision Executive Summary 6* (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-26/2025-may-revision-executive-summary.pdf#page=6>.

<sup>105</sup> [S. B. 101](#), 2025-26 Leg. Reg. Sess. § 2 Item 5180-101-0890 Provision 7 (Cal. 2025), Ch. 4, Statutes of 2025.

<sup>106</sup> [S. B. 101](#), 2025-26 Leg. Reg. Sess. § 2 Item 5180-101-0890 Provision 7 (Cal. 2025), Ch. 4, Statutes of 2025.

<sup>107</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 161 Item 5180-101-0890 Provision 7 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>108</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 161 Item 5180-101-0890 Provision 7 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>109</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 161 Item 5180-101-0890 Provision 7 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>110</sup> [S. B. 105](#), 2025-2026 Leg. Reg. Sess. § 195 Item 6100-001-0001 Provision 129 (Cal. 2025), Ch. 104, Statutes of 2025; see also E-mail from Virginia Early, Pol'y Off. Administrator, Cal. Dep't Educ., Early

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Educ. Div. to Julia Forte Frudden, Senior Pol’y Analyst, Child Care L. Ctr. (Sept. 8, 2025) (on file with Child Care L. Ctr.) (email communication clarifying the funding in this provision is “to implement rate reform.”).

<sup>111</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(l\)](#)).

<sup>112</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(l\)](#)).

<sup>113</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(l\)\(2\)\(C\)](#)).

<sup>114</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(l\)\(2\)\(E\)](#)).

<sup>115</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(l\)\(2\)\(B\)](#)).

<sup>116</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(g\)\(2\)](#)).

<sup>117</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10227.6\(g\)\(2\)](#)).

<sup>118</sup> [Cal. Welf. & Inst. Code § 10227.6\(g\)\(2\)](#).

<sup>119</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>120</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>121</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>122</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>123</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>124</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>125</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>126</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>127</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>128</sup> Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>129</sup> See [Cal. Welf. & Inst. Code § 10213.5\(al\)](#) & [Cal. Educ. Code § 8205\(ag\)](#) (defining full-time care as 25 hours or more per week and part-time care as less than 25 hours per week) & Cal. Dep’t Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA*

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(CCPU), upon ratification through July 1, 2028, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>130</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 160 Item 5180-101-0001 Provision 12 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>131</sup> Cal. Legis. Analyst's Off., *The 2025-26 Budget: Child Care and State Preschool* 3, fig. 2 (Mar. 28, 2025), <https://lao.ca.gov/reports/2025/5024/Child-Care-and-State-Preschool-032825.pdf#page=3> (figure outlining the number of spaces created through 2024-25).

<sup>132</sup> Cal. Budget & Pol'y Ctr., *Understanding the Governor's 2025-26 State Budget Proposal* (Jan. 2025), <https://calbudgetcenter.org/resources/understanding-the-governors-2025-26-state-budget-proposal/#h-amid-union-negotiations-governor-maintains-prior-child-care-commitments>.

<sup>133</sup> Laura Pryor & Erin Schumacher, *The Unmet Need for Child Care Remains Staggeringly High*, Cal. Budget & Pol'y Ctr., (Feb. 2025), <https://calbudgetcenter.org/resources/the-unmet-need-for-child-care-remains-staggeringly-high/>.

<sup>134</sup> Laura Pryor & Erin Schumacher, *The Unmet Need for Child Care Remains Staggeringly High*, Cal. Budget & Pol'y Ctr., (Feb. 2025), <https://calbudgetcenter.org/resources/the-unmet-need-for-child-care-remains-staggeringly-high/>.

<sup>135</sup> Child Care Law Ctr., *Analysis of Child Care Provisions in the California State Budget for Fiscal Year 2024-25* (2025), <https://www.childcarelaw.org/policy-advocacy/state-budget/analysis-of-child-care-provisions-in-the-california-state-budget-for-fiscal-year-2024-25/>.

<sup>136</sup> [S. B. 163](#), 2023-24 Leg. Reg. Sess. § 19 (Cal. 2024), Ch. 73, Statutes of 2024 (adding [Cal. Welf. & Inst. Code § 10212.6](#)). All the spaces and vouchers in the child care expansion plan are subject to funding in the budget for that fiscal year.

<sup>137</sup> See [Cal. Welf. & Inst. Code § 10212.6\(b\)\(2\)\(A\)-\(D\)](#) ("subject to an appropriation in the annual Budget Act").

<sup>138</sup> See [Cal. Welf. & Inst. Code § 10212.6\(b\)\(2\)\(B\)](#) (after the 2024-25 fiscal year and subject to funding, the following year of the child care expansion plan is 2026-27).

<sup>139</sup> Cal. Budget & Pol'y Ctr., *Understanding the Governor's 2025-26 State Budget Proposal* (Jan. 2025), <https://calbudgetcenter.org/resources/understanding-the-governors-2025-26-state-budget-proposal/#h-amid-union-negotiations-governor-maintains-prior-child-care-commitments> ("In 2021-22, the governor committed to adding approximately 200,000 new child care slots by 2026-27. Expansion was delayed and paused in 2023-24 and 2024-25; however, the 2024-25 budget did solidify a plan for rolling out the remaining slots. Per this plan, slot expansion remains paused during 2025-26, and costs to maintain slots are reflected in the aforementioned \$7.1 billion. Thus, the 2025-26 budget does not include appropriations for slot expansion.").

<sup>140</sup> See [S. B. 101](#), 2025-26 Leg. Reg. Sess. § 2 Item 5180-101-0001 Provision 12 (Cal. 2025), Ch. 4, Statutes of 2025 ("Of the funds appropriated in Schedule (3), \$1,618,271,000 shall be allocated for Alternative Payment Program, General Child Care and Migrant Child Care slots to expand childcare access, with a priority for General Child Care slots serving children who are 0 to 3 years of age.").

<sup>141</sup> Cal. S. Comm. Budget & Fiscal Review, *The Legislature's Version of the 2025-26 State Budget* 17 (June 9, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/legislature-s-version-of-the-budget-summary-sb-101-final\\_3.pdf#page=17](https://sbud.senate.ca.gov/system/files/2025-06/legislature-s-version-of-the-budget-summary-sb-101-final_3.pdf#page=17).

<sup>142</sup> Cal. Assemb. Comm. Budget, *Subcommittee Report 2025-2026 Budget* 57 (June 9, 2025), <https://abgt.assembly.ca.gov/system/files/2025-06/subcommittee-report-of-the-2025-26-budget-updated-ii.pdf#page=57>.

<sup>143</sup> Cal. S. Comm. Budget & Fiscal Review, *The Legislature's Version of the 2025-26 State Budget* 17 (June 9, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/legislature-s-version-of-the-budget-summary-sb-101-final\\_3.pdf#page=17](https://sbud.senate.ca.gov/system/files/2025-06/legislature-s-version-of-the-budget-summary-sb-101-final_3.pdf#page=17).

<sup>144</sup> Cal. Assemb. Comm. Budget, *Floor Report 2025-26* 4 (June 24, 2025), [https://abgt.assembly.ca.gov/system/files/2025-06/floor-report-of-the-2025-26-budget-june-24-2025\\_0.pdf#page=4](https://abgt.assembly.ca.gov/system/files/2025-06/floor-report-of-the-2025-26-budget-june-24-2025_0.pdf#page=4) ("Funding of a child care cost-of-living adjustment, *instead of* the Legislature's proposed increase in the number of child care slots.") (emphasis added). Note that this document incorrectly refers to the increase in cost of care plus as a COLA. While the increased cost of care plus

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payment amount is based on the funding for the suspended child care and CSPP COLAs; the increased payment amount is not itself a COLA.

<sup>145</sup> [Cal. Welf. & Inst. Code § 10212.6](#).

<sup>146</sup> Cal. Assemb. Comm. Budget, *Subcommittee Report 2025-2026 Budget 57* (June 9, 2025), <https://abgt.assembly.ca.gov/system/files/2025-06/subcommittee-report-of-the-2025-26-budget-updated-ii.pdf#page=57>.

<sup>147</sup> See [Cal. Welf. & Inst. Code § 10212.6\(\(b\)\(2\)\(B-C\)\)](#).

<sup>148</sup> See [Cal. Welf. & Inst. Code § 10212.6\(\(b\)\(2\)\(B\)\)](#).

<sup>149</sup> See [Cal. Welf. & Inst. Code § 10212.6\(\(b\)\(2\)\(C\)\)](#).

<sup>150</sup> See [Cal. Welf. & Inst. Code § 10212.6\(b\)\(3\)](#).

<sup>151</sup> See Notes between Child Care L. Ctr., Parent Voices Cal., Cal. Budget & Pol'y Ctr., Cal. Leg. Analyst's Office (June 20, 2025) (on file with Child Care L. Ctr.) (clarifying that projections do not include the funding for spaces as part of the expansion plan).

<sup>152</sup> See [Cal. Welf. & Inst. Code § 10212.6\(b\)\(2\)-\(3\)](#).

<sup>153</sup> See Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>154</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 6 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.4\(a\)\(3\)](#)).

<sup>155</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>156</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>157</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>158</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>159</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>160</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>161</sup> [S. B. 151](#), 2025-2026 Leg. Reg. Sess. § 6 (Cal. 2025), Ch. 108, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10277.5\(d\)](#)).

<sup>162</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>163</sup> Cal. Dep't Hum. Resources, *Agreement between the State of California and Child Care Providers United-CA (CCPU), September 13, 2023 through July 1, 2025 21-22*, <https://www.calhr.ca.gov/wp-content/uploads/sites/361/2025/04/MOU-State.CCPCU-20230913-20250701.pdf> (last visited October 6, 2025).

<sup>164</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).

<sup>165</sup> Cal. Dep't Hum. Resources, *Tentative Agreement between the State of California and Child Care Providers United-CA (CCPU), upon ratification through July 1, 2028*, Childcare Providers Labor Relations, <https://www.calhr.ca.gov/about-calhr/childcare-providers-labor-relations/> (last visited Oct. 6, 2025).



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<sup>184</sup> See Cal. Dep't Finance, *May Revision 2025-26* 44 (2025), <https://ebudget.ca.gov/2025-26/pdf/Revised/BudgetSummary/FullBudgetSummary.pdf>.

<sup>185</sup> Cal. S. Comm. Budget & Fiscal Review, *The Legislature's Version of the 2025-26 State Budget* 17 (June 9, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/legislature-s-version-of-the-budget-summary-sb-101-final\\_3.pdf#page=17](https://sbud.senate.ca.gov/system/files/2025-06/legislature-s-version-of-the-budget-summary-sb-101-final_3.pdf#page=17).

<sup>186</sup> Assemb. B. 102, 2025-2026 Leg. Reg. Sess. § 167 Item 5180-495(1)-(2) (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>187</sup> Cal. Assemb. Comm. Budget, *Subcommittee Report 2025-2026 Budget* 34-35 (June 9, 2025), <https://abgt.assembly.ca.gov/system/files/2025-06/subcommittee-report-of-the-2025-26-budget-updated-ii.pdf#page=34>.

<sup>188</sup> The total funding comes from multiple sources in the budget package. See S. B. 105, 2025-2026 Leg. Reg. Sess. § 187 Item 5180-101-0001 Provision 20 (Cal. 2025), Ch. 104, Statutes of 2025 (allocating \$70,000,000 to contractors to administer the 2025 CCPU and State agreement); Cal. Dep't Soc. Servs., *2025 Budget Act Executive Summary* 5-6 (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-budget-act-exec-summary.pdf> (restating the \$70 million is for contractors to administer the CCPU and State agreement and highlighting the \$44.8 million in maintained funding for the administration of cost of care plus payments); Cal. Dep't Soc. Servs., *Local Assistance 2025-26 Appropriation Detail Table* 4 (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-26-appropriation-table.pdf> (Ln.121 "Monthly Cost of Care Plus Rate Admin" \$44,804,000); Note, CCLC was unable to locate the exact line item that allocates \$44.8 million for contractors to continue cost of care plus monthly payment; however the amount was approved in subsequent legislative budget hearings. See Cal. S. Comm. Budget & Fiscal Review Subcomm. No. 3 on Health & Hum. Servs., *Agenda - Health and Human Services* 132 (June 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025\\_final.pdf](https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025_final.pdf) (Row 226 "Approve as budgeted" \$44.8 million to administer cost of care payments); E-Mail from Dylan Hawksworth-Lutzow Fiscal & Policy Analyst, Legis. Analyst's Off. to Julia Forte Frudden, Senior Pol'y Analyst, Child Care L. Ctr. (Sept. 25, 2025) (on file with Child Care L. Ctr.). The Legislative Analyst' Office confirmed the funding was in Item 5180-101-0001 Schedule (3) for child care broadly.

<sup>189</sup> Cal. Dep't Soc. Servs., *2025 May Revision Executive Summary* 6 (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-26/2025-may-revision-executive-summary.pdf>.

<sup>190</sup> See Cal. Dep't Finance, *May Revision 2025-26* 44 (2025), <https://ebudget.ca.gov/2025-26/pdf/Revised/BudgetSummary/FullBudgetSummary.pdf>.

<sup>191</sup> See Cal. S. Comm. Budget & Fiscal Review Subcomm. No. 3 on Health & Hum. Servs., *Agenda - Health and Human Services* 131 (June 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025\\_final.pdf](https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025_final.pdf) (Row 224 "Approve as budgeted" \$70 million to contractors to administer the 2025 CCPU and State agreement) & Cal. S. Comm. Budget & Fiscal Review Subcomm. No. 3 on Health & Hum. Servs., *Agenda - Health and Human Services* 132 (June 10, 2025), [https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025\\_final.pdf](https://sbud.senate.ca.gov/system/files/2025-06/senate-budget-subcommittee-3-all-departments-vote-only-06.10.2025_final.pdf) (Row 226 "Approve as budgeted" \$44.8 million to administer cost of care payments).

<sup>192</sup> Cal. Assemb. Comm. Budget, *Subcommittee Report 2025-2026 Budget* 57 (June 9, 2025), <https://abgt.assembly.ca.gov/system/files/2025-06/subcommittee-report-of-the-2025-26-budget-updated-ii.pdf#page=57>.

<sup>193</sup> Assemb. B. 102, 2025-26 Leg. Reg. Sess. § 160 Item 5180-101-0001 Provision 20 (Cal. 2025), Ch. 4, Statutes of 2025.

<sup>194</sup> See E-Mail from Dylan Hawksworth-Lutzow Fiscal & Policy Analyst, Legis. Analyst's Off. to Julia Forte Frudden, Senior Pol'y Analyst, Child Care L. Ctr. (Sept. 25, 2025) (on file with Child Care L. Ctr.). The Legislative Analyst' Office confirmed it was in Item 5180-101-0001 Schedule (3) for child care broadly and to refer to executive summaries of the budget. See Cal. Dep't Soc. Servs., *2025 Budget Act Executive Summary* 6 (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial->

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[Information/Local-Assistance-Estimates/2025-budget-act-exec-summary.pdf](#); Cal. Dep't Soc. Servs., *Local Assistance 2025-26 Appropriation Detail Table 4* (2025), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2025-26-appropriation-table.pdf> (Ln.121 "Monthly Cost of Care Plus Rate Admin" \$44,804,000).

<sup>195</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 7 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10271\(h\)\(5\)](#)).

<sup>196</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 7 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10271\(h\)\(5\)](#)).

<sup>197</sup> [45 C.F.R. § 98.21\(d\)](#); see also U.S. Admin. for Child. & Families, Off. of Child Care, *Twelve-Month Eligibility When Adding Additional Children to a Family's Case 1* (Dec. 2024), [https://childcareta.acf.hhs.gov/sites/default/files/new-occ/resource/files/Twelve\\_Month\\_Eligibility\\_When\\_Adding\\_Additional\\_Children.pdf](https://childcareta.acf.hhs.gov/sites/default/files/new-occ/resource/files/Twelve_Month_Eligibility_When_Adding_Additional_Children.pdf) (providing a summary of the 12-month eligibility rules and policy implementation guidance).

<sup>198</sup> See Cal. Dep't Finance, *Ensuring 12-Month Eligibility When a New Child is Added* (updated: 02/01/2025) (Jan. 29, 2025), <https://trailerbill.dof.ca.gov/public/trailerBill/pdf/1189>.

<sup>199</sup> [S. B. 120](#), 2025-2026 Leg. Reg. Sess. § 11 (Cal. 2025), Ch. 13, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 10374.5\(k\)](#)).

<sup>200</sup> See Cal. Dep't Finance, *Part-Time/Full-Time Implementation: Clean Up* (updated: 02/01/2025) (Jan. 23, 2025), <https://trailerbill.dof.ca.gov/public/trailerBill/pdf/1188>.

<sup>201</sup> See [Cal. Welf. & Inst. Code § 10213.5\(al\)](#) & [Cal. Educ. Code § 8205\(ag\)](#) (defining full-time care as 25 hours or more per week and part-time care as less than 25 hours per week); see generally Cal. Dep't Soc. Servs., *Fiscal Year 2025-26 Budget Proposal for CDSS Programs and Services 4* (Feb. 26, 2025), [https://www.chhs.ca.gov/wp-content/uploads/2025/03/2.-Governors-Budget\\_ADA.pdf#page=4](https://www.chhs.ca.gov/wp-content/uploads/2025/03/2.-Governors-Budget_ADA.pdf#page=4).

<sup>202</sup> See [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 178 Item 6100-194-0001 Provision 7 (Cal. 2025), Ch. 5, Statutes of 2025 (allocating \$35,135,000 for CSPP non-LEAs) & [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 179 Item 6100-196-0001 Provision 7 (Cal. 2025), Ch. 5, Statutes of 2025 (allocating \$63,475,000 for LEA CSPPs).

<sup>203</sup> [S. B. 147](#), 2025-2026 Leg. Reg. Sess. § 9 (amending [Cal. Educ. Code § 69617\(a\)\(2\)\(B\)](#)). S.B. 147 is currently going through the legislative process and has not become law as of Oct. 8, 2025.

<sup>204</sup> [Assemb. B. 121](#), 2025-2026 Leg. Reg. Sess. § 5 (Cal. 2025), Ch. 8, Statutes of 2025 (amending [Cal. Educ. Code § 8281.5\(c\)\(4\)](#)).

<sup>205</sup> See [Cal. Educ. Code § 8205 \(ab\)](#) (defining CSPP-eligible children includes two-year-olds) & [Cal. Educ. Code § 8207.1\(a\) & \(d\)](#) (CSPPs may enroll eligible two-year-old children. The section will become inoperative on July 1, 2027.); see also [S. B. 163](#), 2023-24 Leg. Reg. Sess. §§1, 5 (Cal. 2024), Chapter 73, Statutes of 2024 (establishing that CSPPs can accept children that are two-years-old until July 1, 2027).

<sup>206</sup> Cal. Dep't Finance, *California State Budget 2025-2026 18* (2025), <https://ebudget.ca.gov/2025-26/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf#page=18>.

<sup>207</sup> Cal. Dep't Finance, *California State Budget 2025-2026 18* (2025), <https://ebudget.ca.gov/2025-26/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf#page=18>.

<sup>208</sup> [Assemb. B. 121](#), 2025-2026 Leg. Reg. Sess. § 41 (Cal. 2025), Ch. 8, Statutes of 2025 (amending [Cal. Educ. Code § 48000.1\(b\)\(1\)\(A\)\(ii\)](#)).

<sup>209</sup> [Assemb. B. 121](#), 2025-2026 Leg. Reg. Sess. § 42 (Cal. 2025), Ch. 8, Statutes of 2025 (adding [Cal. Educ. Code § 48004\(b\)](#)).

<sup>210</sup> See generally Cal. Dep't Soc. Servs., California Work Opportunity and Responsibility to Kids (CalWORKs), <https://www.cdss.ca.gov/inforesources/calworks> (last visited Sept. 26, 2025).

<sup>211</sup> See *Reimagine CalWORKs Pushes Strong Public Benefits Reforms in California's 2025-2026 Budget*, End Child Poverty California (July 8, 2025), <https://www.endchildpovertyca.org/reimagine-calworks-pushes-strong-public-benefits-reforms-in-californias-2025-2026-budget/>.

<sup>212</sup> Cal. Dep't Finance, *California State Budget 2025-2026 45* (2025), <https://ebudget.ca.gov/2025-26/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf#page=45>.

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<sup>213</sup> See [S. B. 119](#), 2025-2026 Leg. Reg. Sess. §§ 8-18, 22-23 (Cal. 2025), Ch. 79, Statutes of 2025 (amending CalWORKs code sections that include the effective date of July 1, 2026 or delaying based on updates to CalSAWs).

<sup>214</sup> [S. B. 119](#), 2025-2026 Leg. Reg. Sess. § 22 (Cal. 2025), Ch. 79, Statutes of 2025 (adding [Cal. Welf. & Inst. Code § 11327.41](#)). A CalWORKs sanction is when the county reduces or stops a family's cash assistance when the county determines a participant is not complying with a CalWORKs requirement without "good cause". Parents may only be sanctioned for "...failing or refusing to sign a welfare-to-work plan, participate or provide required proof of satisfactory progress in any assigned program activity, ... including self-initiated programs described in Section 11325.23 or accept employment; terminating employment; or reducing earnings." [Cal. Welf. & Inst. Code § 11327.4](#).

<sup>215</sup> [S. B. 119](#), 2025-2026 Leg. Reg. Sess. § 22 (Cal. 2025), Ch. 79, Statutes of 2025 (adding [Cal. Welf. & Inst. Code § 11327.41\(b\)](#)).

<sup>216</sup> [S. B. 119](#), 2025-2026 Leg. Reg. Sess. § 22 (Cal. 2025), Ch. 79, Statutes of 2025 (adding [Cal. Welf. & Inst. Code § 11327.41\(a\)](#)).

<sup>217</sup> [S. B. 119](#), 2025-2026 Leg. Reg. Sess. § 23 (Cal. 2025), Ch. 79, Statutes of 2025 (adding [Cal. Welf. & Inst. Code § 11327.5\(b\)\(2\)](#)).

<sup>218</sup> [S. B. 119](#), 2025-2026 Leg. Reg. Sess. § 11 (Cal. 2025), Ch. 79, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 11322.6\(a\)-\(b\)](#)).

<sup>219</sup> [S. B. 119](#), 2025-2026 Leg. Reg. Sess. § 12 (Cal. 2025), Ch. 79, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 11323.2\(a\)\(3\)\(D\)](#)).

<sup>220</sup> [S. B. 119](#), 2025-2026 Leg. Reg. Sess. § 12 (Cal. 2025), Ch. 79, Statutes of 2025 (amending [Cal. Welf. & Inst. Code § 11323.2\(a\)\(3\)\(C\)](#)).

<sup>221</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 160 Item 5180-101-0001 Provision 23 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>222</sup> [Assemb. B. 102](#), 2025-2026 Leg. Reg. Sess. § 126 Item 4140-001-0001 Provision 4 (Cal. 2025), Ch. 5, Statutes of 2025.

<sup>223</sup> Cal. Dep't Finance, *California State Budget 2025-2026 50* (2025), <https://ebudget.ca.gov/2025-26/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf#page=50>.

<sup>224</sup> Cal. Dep't Finance, *California State Budget 2025-2026 50* (2025), <https://ebudget.ca.gov/2025-26/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf#page=50>.

<sup>225</sup> California State Senate, *Senate Budget and Fiscal Review Committee, Wednesday, June 25, 2025*, at 1:02:11 to 1:02:45, [https://www.senate.ca.gov/media/senate-budget-and-fiscal-review-committee-20250625?time\[media-element-18073\]=3731.062609](https://www.senate.ca.gov/media/senate-budget-and-fiscal-review-committee-20250625?time[media-element-18073]=3731.062609).