

Joint Committee on Legislation

*Second Year of
Legislative Session 2025-2026*

May 20, 2026

Welcome and Introductions

Presentation on Status of Policy Roundtable for Child Care and Development Pursuits of Position

Pursuits of Position

1. **Support AB 1981** and similar measures that **require** the California Department of Social Services (CDSS) to provide a **definitive timeline** and **annual updates** regarding CDSS's **transition to new reimbursement rates based on the alternative methodology**
2. **Support AB 2379** and similar measures that **strengthen protections** for **immigrant child care providers** and the **children** they serve by **notifying** child care providers of their **constitutional rights** when **confronted by immigration enforcement**
3. **Support proposed FY 2026-2027 Budget item** and similar measures that **strengthen child care infrastructure, specifically** targeted toward **communities impacted by recent fires**

Update

- LA County Legislative Affairs and Intergovernmental Relations approved the 3 Positions and has started advocacy for these Positions

Presentation on Governor's May Revise FY 2026-27 Budget

May 2026 Budget Specifics

Significant Adjustments from the January Budget Proposal

COLA reduction

California State Preschool Program

- The May Revision reduces the California State Preschool Program COLA from 2.41% at Governor's January Budget Proposal to 2.01% in the May revise, aligning CSPP with other childcare and development programs.
- CDSS Programs
- The May Revision notes a 30-percent reduction to the revised 26-27 childcare COLA, resulting in a 2.01% COLA, reduced from 2.41% at Governor's January Budget Proposal.

QRIS increase

- The May Revision includes \$20 million in additional ongoing Proposition 98 General Fund for the state's Quality Rating and Improvement System, which provides assessment, technical assistance, and fiscal support for improving the quality of early care and education programs.

Ongoing Proposals from the Governor's January Budget Proposal

DSS childcare and development programs

- DSS administers childcare and development programs, including CalWORKs Stages One, Two, and Three; Alternative Payment Programs; Migrant Child Care; General Child Care; Child Care for Children with Severe Disabilities; Resource and Referral; Local Child Care Planning Councils; and quality improvement projects. The May Revision includes \$7.5 billion total, including \$5 billion General Fund, for DSS-administered childcare and development programs.

Alternative Payment agency administrative/support cost increase

- \$65.1 million General Fund in 2026-27 to increase allowable in-contract administration costs for Alternative Payment Program agencies by 1.5% of their total contract amount.

Childcare infrastructure funding

- A one-time increase of \$28 million in federal funds for childcare facilities affected by the 2023 and 2024 natural disasters.
- ***Proposition 64 shift for childcare infrastructure***

Ongoing Proposals from the Governor's January Budget Proposal

- A one-time shift of \$11.8 million in 2026-27 from the youth education/prevention/early intervention/treatment account to DSS, to be invested in childcare infrastructure, specifically targeted toward communities impacted by recent fires.

Continues Proposal to Move Office of the Superintendent of Public Instruction

This fiscally neutral funding shift is related to the education governance proposal included in the Governor's January Budget Proposal.

What the May Revise Is Missing

- The May Revision preserves some existing child care investments **but does not meet the scale of instability facing California's early care and education field.**
 - While the proposal includes limited adjustments for QRIS, Alternative Payment administration, disaster-related facilities, and a reduced COLA, **it does not include a comprehensive strategy to stabilize community-based preschool, permanently address 2-year-old CSPP access, expand slots, implement cost-based reimbursement, strengthen the ECE workforce, or resolve facilities and licensing barriers.**
- The May Revise addresses none of the proposals provided by the State Senate in their own budget plan, including their proposal to move CSPP entirely under Prop 98. At a moment when TK expansion, expiring flexibilities, rising costs, and enrollment instability are reshaping the field, the absence of a durable mixed-delivery stabilization plan is the most significant gap.

Presentation on Early Care and Education Local, State, and Federal Legislation and Administrative Policies

State Legislation – Related to Pursuits of Position

- **AB 1981** Subsidized childcare: reimbursement rates: reporting
Status: Passed Assembly Unanimously
- **AB 2379** Family daycare homes: Fourth Amendment training
Status: In Suspense File

State Legislation with Major Revisions

- **AB 2258** California Alternative Payment Support Program
- **SB 1110** Early learning and care: rates

AB 495 – Family Preparedness Plan Act

- **Licensing webinar will be Monday, May 18, 2026**

Federal: 2027 Funding

- Budget hearings are being held in both houses
- House Appropriations hearings - expected to start week of 4/13/26
- Senate “Dear Colleague” letters requested funding increases

Child Care Bills

- House unanimously passed H.R. 5334 Supporting Early-Childhood Educators’ Deductions (SEED) Act
- Fraud bills (H.R. 7720-26 and 7677) are not on calendar

Regulations Changes

- Child Care Development Fund (CCDF) Final Rule published 5/11/2026
- Head Start Notice of Proposed Rulemaking (NPRM) published 5/11/2026

Identify Priority Public Policies for Joint Committee on Legislation to Track Progress

Public Policy Priorities

Identify priority public policies or proposed policies (budget, legislation, administrative at County, state, and federal levels) to track

Legislation/Proposed Policies that outside of Pursuits of Position

Priority

1. Trailer Bill
 2. SB 902
 3. AB 1914
 4. SB 1051
 5. AB 2429 (mental health)
 6. – 8. POP – AB 1981, AB 2379, ECE Infrastructure impacted by fires Budget Item
- XXXX

Watch or Questions

- SB 1200 - Changes age definition but not reimbursement rate
 - Impacts ratios for centers. Aligns ratio at 18 months for centers
 - Different ratio up to 2 yrs old for FCCHs have to have a different ratio
- AB 2258 (Nurhan provided explanation)
- AB 1755

Dead

- AB 2092 (dead) (priority)
- AB 1631 (dead) (watch)
- SB 1110

Review Public Policy Platform and Process to Update Public Policy Platform for 2027-2028 Legislative Session

Policy Platform Statements are Intentionally Broad

- As a practice, changes are not made to the statements because they are typically broad enough to cover priority ECE issues
 - Changes made are typically to the bullets and changes are usually minor
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Process

- May 2026 - JCL continues discussion to identify possible modifications to Public Policy Platform and this information will be provided to JCL that will start meeting in Fall 2026

Passing the Baton: Lessons Learned for FY 2025-26 and Develop Recommendations for Joint Committee on Legislation FY 2027-27



Reflections for JCL FY 2025-26

- XXXXX
- XXXXX
- XXXXX
- XXXXX



Recommendations for JCL FY 2026-27

- OAECE will provide FY 2026-27 JCL the following:
 - Areas of the Policy Platform identified by FY 2025-26 JCL that need to be modified
- FY 2026-27 JCL will review and development Policy Platform recommendations as needed and provide recommendations to Policy Roundtable and Child Care Planning Committee for consideration
- FY 2026-27 JCL needs to start meeting in Fall 2026 in order to be proactive for the year; particularly because it will be a new legislative session and California will have a new Governor

Call to Adjourn Meeting