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# SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator John Laird, Chair  
2025 - 2026 Regular

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| <b>Bill No:</b>    | AB 190                     | <b>Hearing Date:</b> | August 31, 2026 |
| <b>Author:</b>     | Committee on Budget        |                      |                 |
| <b>Version:</b>    | August 28, 2026 As amended |                      |                 |
| <b>Urgency:</b>    | No                         | <b>Fiscal:</b>       | Yes             |
| <b>Consultant:</b> | Elizabeth Freeman          |                      |                 |

**Subject:** Early Care and Education

**Summary:** Provides for statutory changes necessary to enact early education related provisions of the Budget Act of 2026.

**Proposed Law:** As part of the 2026-27 budget package, this bill makes statutory changes to implement the budget act. This bill includes the following provisions:

- 1) Requires the California Department of Social Services (CDSS), after collaborating with the California Department of Education (CDE), to identify the remaining foundational policy frameworks of the child care single rate structure by January 10, 2028.
- 2) Establishes a policy framework for child age categories under the child care single rate structure. This includes an infant rate for children under age 2, a toddler rate for children ages 2-3, a preschool rate for children ages 3-6 who are not yet enrolled in first grade, and a schoolage rate for children age 5 and older who are enrolled in first grade or higher.
- 3) Establishes a policy framework for enhanced inclusion rates under the child care single rate structure. This includes that enhanced inclusion rates will be administered as a per-child amount. Specifies the documentation needed for a child care provider to receive an enhanced inclusion rate for a child under the single rate structure.
- 4) Establishes legislative intent that the alternative methodology used to inform child care rate-setting be based on a cost study and cost estimation model that measures the costs of care in California for all child care and preschool programs. This includes the following costs: salaries and wages; geography; type of care setting; regulatory and statutory requirements applicable to each type of care setting; time categories, child age; and costs for delivering inclusion supports.
- 5) Extends quarterly reporting to the Legislature regarding implementation of child care rate reform to July 1, 2028. Requires the quarterly report issued in July 2027 to include the considerations required to add monthly per-child rate supplements (known as cost of care plus rates) to base child care reimbursement rates, as specified.

- 6) Removes legislative reporting requirements regarding implementation of prospective payment for child care programs, as that policy is not being implemented.
- 7) Extends the effective date by which all staff who provide child care at licensed child care facilities, including substitutes, must complete at least 15 hours of specified health and safety training, to October 1, 2027. Maintains, prior to October 1, 2027, that at least one director, teacher, or licensee complete the 15 hours of specified health and safety training. This includes pediatric first aid; including the prevention and treatment of anaphylaxis; CPR, and preventative health practices. Extends the effective date by which all staff who provide child care at licensed child care facilities must complete a minimum of 12 hours of continuing health and safety education to October 1, 2027.
- 8) Removes requirements that family daycare homes report temporary absences of a licensee to CDSS. Retains requirements that family daycare homes provide written notice to parents and guardians of any temporary absence of the licensee.
- 9) Clarifies that State Preschool contractors may claim attendance for days that the child is not in attendance during an appeal process, other than a suspension or expulsion-related appeal.
- 10) Clarifies the Department of Education's authority to provide guidance until regulations are promulgated through the formal rulemaking process for State Preschool programs.
- 11) Provides technical and clarifying amendments for State Preschool programs.
- 12) Clarifies the enrollment order for children of employees of local educational agencies.
- 13) Allows the Department of Education to collect unspent set-aside funds from contractors, beginning in 2027-28.
- 14) Further specifies how professional development days for State Preschool program staff should be used and expands the list of topics that can be covered for professional development.

**Fiscal Effect:** Reappropriates up to \$1 million from the 2025 Budget Act for continued implementation of AB 262 (Holden), Chapter 341, Statutes of 2024.

**Support:** None on file.

**Opposed:** None on file.

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