
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1969 (Bonta) - California Coordinated Neighborhood and Community Schools Incentive Grant Program

Version: June 10, 2026

Urgency: No

Hearing Date: June 29, 2026

Policy Vote: HUMAN S. 3 - 1

Mandate: No

Consultant: Agnes Lee

Bill Summary: AB 1969 would establish the California Coordinated Neighborhood and Community Schools Incentive Grant Program.

Fiscal Impact:

- Unknown General Fund costs, potentially tens of millions, to fund the grant program.
- Unknown General Fund costs, potentially hundreds of thousands, annually for the California Department of Social Services (CDSS) to administer the grant program.
- The California Department of Education (CDE) estimates General Fund costs of \$384,000 in 2026-27 and \$378,000 in 2027-28 for state administration.

Background: According to the state's Lifting Children and Families out of Poverty Task Force, "Promise Neighborhoods tailor their specific set of cradle-to-college-and-career solutions to the local context, but each share the following characteristics: results-driven focus on impacting population-level results; place-based to focus on a specific high-need geography; collective impact is achieved through partnerships; the model is community-powered to address local needs and build on local strengths; it relies on both public and private investments and aligns funding streams to achieve shared outcomes; the model is equity-focused and explicit in addressing disparities by race, ethnicity, gender, income, immigration status, or other factors; and most importantly, Promise Neighborhoods implement a comprehensive cradle-to-college-and-career continuum that addresses all of a family's needs to help them move out of poverty."

The Budget Act of 2022 included one-time funding of \$12 million from the General Fund to support several Promise Neighborhoods in Chula Vista, Corning, Hayward, and Mission.

Proposed Law: Specific provisions of the bill would:

- Establish the California Coordinated Neighborhood and Community Schools Incentive Grant Program to be administered by the CDSS or another department within the California Health and Human Services Agency, as designated by the Secretary of California Health and Human Services.
- Provide that the purpose of the grant program is to support educational outcomes, reduce child poverty, and advance economic mobility for children and families

disproportionately affected by intergenerational poverty by supporting place-based partnerships that align services, address systemic barriers, and improve long-term outcomes through specified solutions.

- Require CDSS, in consultation with the State Board of Education and the CDE, to develop an application process for eligible entities to apply for the grants.
- Require, for the 2026–27 and 2027–28 fiscal years, the CDSS to competitively award grants to place-based partnerships across the state, as specified.
- Require grant recipients to use the grant funds for the development of neighborhood partnerships, Promise Neighborhoods, or regional partnerships, as specified.
- Require CDSS to establish performance standards to measure progress on indicators and results relevant to the evaluation of the grant program.
- Require the CDE, in consultation with the State Board of Education and the CDSS, to establish a core set of academic results and indicators by which the grant recipients will be measured; and require CDSS to establish a core set of family and community support results and indicators by which the grant recipient will be measured.
- Require CDSS, in consultation with the State Board of Education and the CDE, to also establish at least two indicators related to health, social and emotional development, mental health, and wellness.
- Prohibit, to the extent permitted by federal law, funds utilized by grant recipients to provide guaranteed income payments pursuant to these provisions from being considered as income or assets when determining eligibility and benefit amount for any means-tested program, as specified.
- Make implementation subject to an appropriation in the annual Budget Act or another statute.

Related Legislation: AB 1321 (Bonta, 2023) was similar to this bill. AB 1321 was held on the suspense file in this committee.

-- END --