# SENATE COMMITTEE ON LOCAL GOVERNMENT Senator María Elena Durazo, Chair

2025 - 2026 Regular

Bill No: Author: Version: AB 752 Ávila Farías 3/24/25 Hearing Date:7/16/25Fiscal:NoConsultant:Peterson

### **CHILD DAYCARE FACILITIES**

Limits the ability for local agencies to regulate child daycare facilities when those facilities are colocated with multifamily housing or other specified community amenities.

#### **Background**

The California Constitution allows cities and counties to "make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws." It is from this fundamental power (commonly called the police power) that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public—including land use authority.

*Planning and Zoning Law.* State law provides additional powers and duties for cities and counties regarding land use. The Planning and Zoning Law requires every county and city to adopt a general plan that sets out planned uses for all of the area covered by the plan. A general plan must include specified mandatory "elements," including a housing element that establishes the locations and densities of housing, and a land use element that describes the general categories of uses (such as multifamily residential, single family residential, retail commercial, and open space) that are allowed in specific portions of a jurisdiction. Cities' and counties' major land use decisions—including zoning ordinances and other aspects of development permitting—must be consistent with their general plans. General plans also include policies, standards, and mitigation measures that developments must comply with, to protect against flood hazards, fire hazards, and climate change, and to further environmental justice, among other state goals.

Local governments use their police power to enact zoning ordinances that establish the types of land uses that are allowed or authorized in an area. Zoning ordinances also contain provisions to physically shape development and impose other requirements, such as setting maximum heights and densities for housing units, minimum numbers of required parking spaces, setbacks, and lot coverage ratios. These ordinances can also include conditions on development to address aesthetics, community impacts, or other particular site-specific considerations.

*Child day care facilities*. The California Child Day Care Facilities Act governs the licensure, maintenance, and operation of child day care facilities in the state. This law and the associated regulations adopted by the California Department of Social Services' (CDSS) establish, among other things, general health and safety requirements, staff-to-child ratios, and provider training requirements. The CDSS Community Care Licensing Division has the responsibility of licensing and monitoring the state's child day care facilities.

There are different types of child day care facilities:

- Family daycare homes are operated in the licensee's own home, which may be rented, leased, or owned, and are permitted to be in a mobile home park or an apartment. These homes provide non-medical care and supervision in a family-like setting with all the daily activities associated with home. Family daycare homes are further categorized into small (eight or fewer children) and large homes (as many as 14) based on the size of the childcare group and the ages of the children.
- Child care centers are child day care facilities other than a family daycare home. Child care may be part of a large childcare corporation or locally owned and are usually located in commercial buildings, schools, religious facilities, public buildings, or private buildings. Centers can accommodate infants, toddlers, preschoolers, and school-age children. Separate licenses are required to care for infants, preschoolers, and school-age children, although a center may be licensed to care for all three age groups at one site. Depending on their age, children receive care in separate areas at the center for safety and activity reasons.

SB 234 (Skinner, 2019) made all family daycare homes a residential use of property and a use by right for purposes of all local ordinances, and prohibited all family daycare homes from being subject to a business license, tax, or fee. Prior to SB 234, large family child care homes were subject to local zoning requirements, while small family daycare homes were exempt.

Daycare center providers want the Legislature to grant an exemption from local zoning and business license provisions similar to the one SB 234 provided to child care homes.

# **Proposed Law**

Assembly Bill 752 requires local jurisdictions to consider a daycare center colocated with multifamily housing, meaning density of five units or more, or legally established community amenities to be a residential use of property and a use by right for the purposes of all local ordinances. Additionally, the measure prohibits a local jurisdiction from imposing a business license, fee, or tax on a daycare center colocated with multifamily or legally established community amenities for the privilege of operating a daycare center. Finally, the measure includes an exemption from the California Environmental Quality Act for these facilities.

AB 752 provides that it does not prohibit or preclude a city, county, or other local public entity from:

- Placing restrictions on building heights, setbacks, or lot dimensions as long as those restrictions are identical to those applied to the legally established community amenities of multifamily housing colocated with the daycare center;
- Enacting a local ordinance related to health and safety, building standards, environmental impact standards, or other matters in their jurisdiction if it is applied identically to the legally established community amenities of multifamily housing colocated with the daycare center; or
- Abating nuisances if the nuisance abatement measure or ordinance does not distinguish a daycare center from the legally established community amenities or multifamily housing colocated with the daycare center.

The measure defines "legally established community amenities" to mean publicly or privately operated sites within a residential zone that provide services to the community including, but not limited to, civic centers, community centers, public recreational centers, public parks, places of worship, schools, colleges, and libraries.

## **Comments**

1. <u>Purpose of the bill</u>. According to the author, "Solving the child care crisis in our state will require multiple approaches, one of which is reducing barriers to developing new child care facilities. We know child care providers and housing developers need more funding to build new facilities and expand and renovate existing ones. In addition they need the state to reduce the regulatory barriers that exist that slow down development or make it unbearably expensive. Child care providers as well as multi-family housing developers have named restrictive, burdensome, and expensive zoning requirements as a critical barrier to address. Child care centers are typically a conditional use in residential zones. These permits frequently have additional land use requirements, such as extra documentation or studies, higher fees, or infrastructure improvements. AB 752 will make child care facilities that are co-located with multi-family housing development of new high-quality facilities for our children throughout the state."

2. <u>Home rule</u>. A fundamental principle of zoning since the United States Supreme Court upheld an early zoning ordinance in 1926 (*Village of Euclid v. Ambler Realty Co.*, 272 U.S. 365 (1926)) has been that allowing some uses in one area but prohibiting others can be integral to protecting the public welfare. Local governments have historically separated uses to avoid siting incompatible activities, such as industrial and residential activity, near one another. This approach also mitigates potential public health issues, such as air pollution impacts from heavy industrial uses on nearby residents. AB 752 creates a by right approval process for daycare centers colocated with multifamily housing or other community amenities which could contravene this principle in some cases. When attached to a multifamily housing complex, a daycare center could increase much needed childcare opportunities. However, AB 752 also allows daycare centers by right if constructed with a "community amenity." Since AB 752 does not limit its list of community amenities, daycare center operators could argue that the local government must approve the facility even if it undermines the planning decisions made by local officials to ensure that daycare facilities are developed safely. The Committee may wish to consider amending the bill to limit the types of community benefits AB 752 applies to.

3. <u>Special treatment</u>. Not only does AB 752 create a by right approval process for daycare centers, it also prohibits local agencies from requiring imposing a business license, fee, or tax on a daycare center colocated with multifamily or legally established community amenities for the privilege of operating a daycare center. This could mean that daycare centers do not have to pay business license fees that all other businesses have to pay. Additionally, AB 752 says that daycare centers do not have to pay taxes for the privilege of operating a daycare center. While there may not be a tax specifically for the privilege of operating a daycare center, it is unclear whether this would exempt daycare centers from all local taxes that a business must pay. While daycare centers are unquestionably important to the community, so are many other types of businesses that still have to pay for a business license or tax. AB 752 gives daycare centers a benefit these other businesses do not enjoy. The Committee may wish to consider amending the bill to clarify the measure's exemption from business licenses, fees, and taxes for these daycare centers.

4. <u>Charter city</u>. The California Constitution allows cities that adopt charters to control their own "municipal affairs." In all other matters, charter cities must follow the general, statewide laws. Because the Constitution does not define "municipal affairs," the courts determine whether a topic is a municipal affair or whether it is an issue of statewide concern. AB 752 does not specify whether or not it is supposed to apply to charter cities. The Committee may to consider amending the bill to specify that its provisions apply to charter cities.

5. <u>Let's be clear</u>. The Committee may wish to consider the following clarifying and technical amendments to AB 752 to improve the bill's function:

- AB 752 makes approval of a daycare center by-right. However, the measure does not define what by right means in the context of a daycare center. The Committee may wish to consider amending the bill to define by-right approval for purposes of a daycare center.
- AB 752 has provisions that apply to local jurisdictions, cities and counties, as well as other local public entities. Only cities and counties permit development, so to prevent confusion about the bill's requirements, the Committee may wish to consider amending the bill to refer only to cities and counties.
- AB 752 applies to projects with densities of five units or more. However, the measure does not clarify whether this means projects with five units or more versus projects with density of five units or more per acre. The Committee may wish to consider amending the bill to clarify this condition.

6. <u>Incoming</u>! The Senate Rules Committee has ordered a double referral of AB 752: first to the Committee on Human Services, which approved AB 752 at its June 16<sup>th</sup> hearing on a vote of 5-0, and second to the Committee on Local Government.

# **Assembly Actions**

Assembly Human Services Committee:	7-0
Assembly Floor:	72-1

### Support and Opposition (7/11/25)

Support: Build Up California - Early Learning and Care Facilities (Co-Sponsor) Low Income Investment Fund (Co-Sponsor) Abundance Network Brion Economics, INC. California Child Care Resource and Referral Network California Coalition for Community Investment California State Pta Cameo Network Child Action, INC. City of San Diego **Community Systems Consulting Cross Cultural Family Center** Early Care and Education Consortium Family Connections Centers First 5 Alameda County Instituto Familiar De LA Raza

Kai Ming Head Start Kids Konnect Preschools LA Raza Community Resource Center Lift to Rise Little Acorns Grow Little Tokyo Service Center Mercy Housing California Mnc Inspiring Success **Optimal Solutions Consulting** Pacific Islander Community Partnership Precious Lambs Early Learning Academy Safe & Sound San Francisco Family Services Alliance San Jose Grail Family Services Silicon Valley Community Foundation Tandem, Partners in Early Learning Tribal Child Care Association of California Wu Yee Children's Services YMCA of San Diego County 23 Individuals

**Opposition:** None Submitted

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