

SENATE THIRD READING

SB 151 (Committee on Budget and Fiscal Review)

As Amended September 08, 2025

Majority vote. Budget Bill Appropriation Takes Effect Immediately

SUMMARY

This bill is an Early Childhood Education trailer bill for the 2025-2026 Budget Act, to ratify the Memorandum of Understanding dated August 7, 2025, between the State and Child Care Providers United – California, codify statutory changes pursuant to this agreement, and make appropriations and allocations pursuant to this agreement for all child care and preschool programs.

Major Provisions

- 1) Appropriates \$157,852,000 from the General Fund to the State Department of Social Services to fully fund child care payments authorized pursuant to the trailer bill.
- 2) Ratifies the agreement dated August 7, 2025, entered into by the Governor and Child Care Providers United - California, in its sole capacity as the certified provider organization representing family childcare providers, as specified.
- 3) Extends the period in which reimbursement of state-subsidized childcare and development providers, license-exempt providers, and California state preschool family childcare home education network providers is based on the maximum authorized or certified hours of care, to July 1, 2028.
- 4) Extends the payment of the statutory monthly cost of care plus rate, including the 2025-26 Budget Act cost of living increase, indefinitely, for family childcare providers and childcare centers.
- 5) Establishes a one-time payment to family daycare providers for the total amount of the cost of living increase for each month or partial month occurring between July 1, 2025, and December 30, 2025, and requires the payment to be paid to providers by January 1, 2026, contingent on full ratification by September 30, 2025, of the tentative agreement received between the State of California and the Child Care Providers United - California (CCPU) on August 7, 2025.
- 6) Establishes an additional one-time, per-child stabilization payment for all family daycare providers and childcare centers, of \$431 for licensed family childcare providers and childcare centers and \$300 for license-exempt family childcare providers. Requires an alternative one-time payment if the CCPU agreement not ratified by September 30, 2025.
- 7) Authorizes the Department of Finance to maintain statutory funding levels for the Joint Child Care Providers United - State of California Training Partnership Fund, the CCPU Workers Health Care Fund, and the CCPU Retirement Trust for each year of the agreement, from July 1, 2025, to July 1, 2028, inclusive, subject to reporting requirements as specified.

COMMENTS

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

Appropriates \$157,852,000 from the General Fund to the State Department of Social Services to fully fund child care payments authorized pursuant to the trailer bill.

VOTES

SENATE FLOOR: 28-10-2

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Umberg, Wahab, Weber Pierson, Wiener
NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Reyes, Stern

UPDATED

VERSION: September 08, 2025

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