



Analysis of Child Care Provisions In The California State Budget For Fiscal Year 2024-25

Disclaimer: We believe this state budget analysis is accurate as of September 6, 2024, but please keep in mind the law changes often.

Child care should be a civil right, not a privilege that is dictated by social injustices and limitations. California lawmakers make child care funding decisions that affect all of us – from families who depend on it, to providers who nurture the next generation, to the children who rely on care to learn and grow.

Due to the fierce advocacy of Child Care Providers United (CCPU), Parent Voices, and our joint efforts with other child care advocates across the state, this year’s state budget [includes \\$6.051.6 billion for child care](#).¹

Fiscal Year (FY) 2024-25 State Budget for Child Care Overview:

- Protects existing child care subsidy payment rates,²
- Adds reporting requirements for implementing the alternative methodology (paying providers based on the cost of providing care) – a significant step in “rate reform,”³
- Sets a date for implementing new child care subsidy payment rates,⁴
- Maintains funding for existing spaces in previous budget years and this budget year,⁵ and
- Codifies the child care spaces expansion commitment into law.⁶

While policy makers maintain funding for core programs and commit to expanding child care spaces and vouchers, cutting and delaying life-giving services that impact families’ daily lives cannot be the solution for future budget shortfalls. Additional public funding to pay child care providers fairly and for affordable child care programs is vital for California families, women, and children.

Child Care Payment Rates

Many child care providers are Black, Latine, or immigrant women who nurture a child's home language and culture and honor our vibrant communities. Child care providers are dedicated professionals who should be paid fairly and supported for their knowledge, experience, and talent.

The FY 2024-25 State Budget for Child Care makes the following commitments to move forward with [“rate reform” – to pay child care providers fairly](#):

- The California Department of Social Services (CDSS) must report to the Assembly and Senate Budget Committees and the Legislative Analyst’s Office regarding how the alternative methodology will be implemented with the following information:
 - CDSS’s plan to set new payment rates using the alternative methodology beginning July 1, 2025.
 - The estimated costs and timelines for implementation “including, but not limited to, state operations resources, technology and infrastructure changes, and any regulatory or statutory changes necessary to implement the approved single rate structure.”⁷
- CDSS must report quarterly to the Assembly and Senate Budget Committees and the Legislative Analyst’s Office on progress made to conduct an alternative methodology and cost estimate model, from October 1, 2024 through January 1, 2026.⁸
- CDSS must share a timeline with the Legislature if new payment rates do not start on July 1, 2025. The timeline must detail the transition from the temporary payment rates to the alternative methodology. The temporary payment rates must be, at minimum, equivalent to current payment rates including the “cost of care plus rates.”⁹
- Prohibits child care subsidy payment rates to be lower than the payment rates in force on June 30, 2024, inclusive of the cost of care plus rates from the 2023-2024 Budget Act.¹⁰

Child Care Provider Benefits

- Within 90 days of CCPU submitting its annual report and DOF approval:
 - Up to \$100 million to restore the CCPU Workers Health Care Fund balance¹¹
 - Up to \$80 million to restore the CCPU Retirement Trust balance¹²
 - Up to \$15 million to restore the Joint CCPU-State of California Training Partnership Fund balance¹³

California State Budget Child Care Items

Child Care Spaces

Child care is essential for nurturing strong, thriving families, and ensuring justice in our communities.

In the May Revision to the 2024-25 January State Budget Proposal, the Governor proposed to indefinitely pause the expansion of child care spaces, which would have harmed 81,000 families and left them without child care. The Legislature rejected this proposal and with the support of advocates, came to an agreement with the Governor to continue the promised child care spaces expansion.

The FY 2024-25 State Budget for Child Care includes:

- Continued funding for spaces (including vouchers) from the 2021 Budget Agreement during FY 2020-21.¹⁴ As of May 15, 2024, an estimated 118,800 new child care spaces were added in California since 2021:
 - Estimated 22,000 General Child Care and Development Programs spaces (General Child Care)¹⁵
 - Estimated 95,000 Alternative Payment child care vouchers (AP vouchers)¹⁶
 - Estimated 1,300 Migrant Alternative Child Care vouchers¹⁷
 - An estimated 500 Emergency Child Care Bridge Program for Foster Children (Bridge Program) vouchers¹⁸
- Statutory language that reflects the 2021 Budget Agreement to add approximately 206,800 new child care spaces by FY 2027-2028 (88,000 remaining):¹⁹
 - New child care spaces will be added as follows²⁰:
 - FY 2024-25: 11,000 General Child Care spaces, beginning October 1, 2024²¹
 - FY 2025-26: No new child care spaces
 - FY 2026-27: 12,000 General Child Care spaces and 32,000 AP vouchers²²
 - FY 2027-28: 17,000 General Child Care spaces and 16,000 AP vouchers
 - FY 2028-29 & After: Any of the 206,800 unawarded General Child Care spaces from prior years and additional child care spaces needed to maintain total child care spaces levels must be issued
- Any spaces appropriated for in the budget that are not awarded during the designated year must be distributed the following fiscal year to the same program until all the promised spaces and vouchers are awarded²³
- About 6,183 Emergency Child Care Bridge Program (“Bridge Program”) vouchers:²⁴
 - Up to \$13.48 million for child care navigator services, trauma-informed training, and county administration²⁵
 - The DOF must inform the Joint Legislative Budget Committee Chairperson and both legislative houses fiscal committees of any adjustments made to funding levels within 10 days²⁶

CDSS and Related State Agency Policy Changes

- Until January 1, 2027, the Office of the State Fire Marshal (OSFM) and local fire enforcing agencies must apply the December 2022 version of California Building Code Title 24 Chapter 3 to child care centers.²⁷
- The OSFM must consult with CDSS to update fire regulations for child care centers by January 1, 2027.²⁸
- CDSS is required to report to the Joint Legislative Budget Committee and the Senate and Assembly Budget Committees with a proposed list of quality improvement activities, including funding totals by activity, funded by the Child Care and Development Fund.²⁹
- CDSS must collaborate with the California Department of Education (CDE) to create a streamlined request for application process for current child care contractors.³⁰

Other Funding Impacting Families and Children

California Work Opportunity and Responsibility to Kids (CalWORKs)

People should be able to support their families without having to sacrifice their child's well-being. The CalWORKs program is a public benefits program that provides modest cash assistance and supportive services, like child care and employment services, to families with the lowest incomes to help meet their basic needs.³¹ Many of the families who participate in the CalWORKs program have CalWORKs Child Care or are eligible for other publicly funded child care.

Highlighted Vital CalWORKs Programs in the 2024-25 State Budget:

- **Protected Programs**
 - Family Stabilization Program (provides assistance to families experiencing crisis, such as drug treatment and emergency housing): Funding maintained at \$71.2 million³²
 - CalWORKs Maximum Aid Payment (grant paid to families participating in CalWORKs based on family size³³): Increased funding by 0.3%³⁴
- **Reduced Funding³⁵**
 - Expanded Subsidized Employment Program: \$97.1 million³⁶
 - Home Visiting Program: \$74.2 million³⁷
 - Mental Health & Substance Abuse Services: \$89 million³⁸
- **Eliminated Funding**
 - Safety Net Reserve ("established to offset the impact of a revenue downturn or economic impact on health and safety programs."³⁹ Funding must be "utilized...for the purpose of maintaining existing program benefits and services for Medi-Cal and CalWORKs programs during economic downturns."⁴⁰): Complete elimination of the \$900 million.

Policymakers' choice to reduce CalWORKs program funding and completely drain the Safety Net Reserve puts families who use these programs at risk of having even fewer resources and services.

Department of Education (CDE) Early Education Programs

California State Preschool Program (CSPP)

The State Budget includes lowering the age of children eligible for CSPP from three-years-old to two-years-old until July 1, 2027.⁴¹ CSPPs may operate in various locations, such as K-12 school campuses and community-based settings. All CSPP programs serving children under four-years-old must follow Title 22 licensing requirements.⁴² The State Budget requires CDE to consult with CDSS and develop guidance for enrolling two-year-olds including safe, age-appropriate diapering and toilet training, in alignment with Title 22 Child Care Center regulations.⁴³

This year's State Budget adds two-year-old children to be fourth priority on CSPP waiting lists.⁴⁴

The requirement to reserve 10% of enrollment for children with "exceptional needs" starting July 1, 2026 was removed.⁴⁵ CSPPs are required to reserve only 5% of enrollment for children with exceptional needs.

Proposition 98 Funding Maneuver

California policymakers cannot institute unfair policies at a time when we anticipate future revenue shortfalls, an increased need for services, and federal pandemic relief funds are no longer available.

The California Constitution requires the annual state budget to dedicate funding for K-14 education, which is known as the "Proposition 98 Minimum Funding Guarantee" (Prop. 98 Guarantee). The state uses a set of formulas to determine the amount of the Prop. 98 Guarantee each year and the funding comes from a combination of state General Fund dollars and local property tax revenues.⁴⁶

During the COVID-19 pandemic, policy makers overestimated the Prop. 98 Guarantee in the 2022-23 Budget as a result of the extension of the tax filing deadline.⁴⁷ However, the actual 2022-23 revenues were lower than the estimation when the 2022-23 State Budget was adopted, which resulted in schools receiving \$8 billion over the Prop. 98 Guarantee.

The 2024-25 Budget suspends the Prop. 98 Guarantee for 2023-24 down to \$98.5 billion.⁴⁸ As a result of the Prop. 98 Guarantee suspension, the 2024-25 Budget also creates a maintenance factor of \$8.3 billion for FY 2023-24.⁴⁹ The 2024-25 Budget will pay \$4.1 billion in a maintenance factor payment in addition to the ongoing Prop. 98 Guarantee funding requirements for FY 2024-25.⁵⁰

To address the \$8 billion overestimation, the 2024-25 Budget applies a “funding maneuver” of \$6.2 billion that moves K-14 education costs from FY 2022-23 to future fiscal years, with payments starting in FY 2026-27.⁵¹

The maneuver of over \$6.2 billion state General Fund dollars and maintenance factor “address” the shortfall in funding. While education programs have Prop. 98 guaranteed funding, the majority of other public programs, including child care, CalWORKs, and housing programs, rely on the General Fund. Dedicating future General Fund money to Prop. 98 will take away funding from these other vital non-Prop 98 programs, primarily hurting families of color.

¹ Cal. Dep’t Soc. Servs., *2024 Budget Act Executive Summary*, 9 (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-Budget-Act-Executive-Summary.pdf>.

² S. B. 163, 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6\(h\)](#)).

³ S. B. 163, 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6\(g\)](#)) (“alternative methodology” is a calculation to pay child care providers based on the cost of providing child care (e.g., meeting child care licensing requirements, staff salaries, cleaning supplies, educational materials, etc.), rather than based on the cost of what families can afford to pay for child care. The alternative methodology is a major piece of “rate reform,” the process that aims to pay child care providers fairly.).

⁴ S. B. 163, 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6\(h\)](#)).

⁵ S. B. 163, 2023-24 Leg. Reg. Sess. § 19 (Cal. 2024), Chapter 73, Statutes of 2024 ([adding Cal. Welf. & Inst. Code § 10212.6\(b\)\(2\)\(A\)](#)); see also Cal. Dep’t Soc. Servs., *2024 Budget Act Executive Summary*, 9 (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-Budget-Act-Executive-Summary.pdf>.

⁶ S. B. 163, 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6](#)).

⁷ S. B. 163, 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6\(g\)\(1\)\(B\)](#)).

⁸ S. B. 163, 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6\(g\)\(2\)](#)).

⁹ S. B. 163, 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6\(i\)](#)).

¹⁰ S. B. 163, 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 73, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 10227.6\(h\)](#)), S. B. 140, 2023-24 Leg. Reg. Sess § 10(b) (Cal. 2023), Chapter 193, Statutes of 2023 ([adding Cal. Welf. & Inst. Code § 10277.1](#)).

¹¹ S. B. 108, 2023-24 Leg. Reg. Sess. § 180 Item 5180-101-0001 Provision 21 (Cal. 2024), Chapter 35, Statutes of 2024.

¹² S. B. 108, 2023-24 Leg. Reg. Sess. § 180 Item 5180-101-0001 Provision 22 (Cal. 2024), Chapter 35, Statutes of 2024.

¹³ S. B. 108, 2023-24 Leg. Reg. Sess. § 180 Item 5180-101-0001 Provision 23 (Cal. 2024), Chapter 35, Statutes of 2024.

¹⁴ Cal. Dep’t Soc. Servs., *2024 Budget Act Executive Summary*, 9 (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-Budget-Act-Executive-Summary.pdf>. See [Cal. Welf. & Inst. Code § 10212.6 \(\(b\)\(2\)\(A\)-\(D\)\)](#) for estimated number of child care “slots” for each program.

¹⁵ General Child Care and Development Programs, referred to as CCTR, is a Title 5 direct-contract child care program administered by the Department of Social Services. CCTR programs have dedicated spaces for children from families with low incomes. See *generally* Cal. Dep’t Soc. Servs., Child Care and Development Programs, <https://www.cdss.ca.gov/inforesources/child-care-and-development/child-care-and-development-programs> (last visited Aug. 16, 2024).

¹⁶ Alternative Payment Program, referred to as CAPP, is a voucher-based child care program administered by the Department of Social Services to provide vouchers to families with low incomes. Families can use the voucher in the child care setting of their choice. See *generally* Cal. Dep’t Soc. Servs., Child Care and Development Programs, <https://www.cdss.ca.gov/inforesources/child-care-and-development/child-care-and-development-programs> (last visited Aug. 16, 2024).

¹⁷ Migrant Alternative Payment Program, referred to as CMAP, is a voucher-based child care program administered by the Department of Social Services to provide vouchers to eligible migrant families in the Central Valley. These vouchers follow families as they move for agricultural work. Families can use the voucher in the child care setting of their choice. See *generally* Cal. Dep’t Soc. Servs., Child Care and Development Programs, <https://www.cdss.ca.gov/inforesources/child-care-and-development/child-care-and-development-programs> (last visited Aug. 16, 2024).

¹⁸ Emergency Child Care Bridge Program for Foster Children is a program that provides time limited vouchers to resource families for child care and child care navigator services. See *generally* Cal. Dep’t Soc. Servs., Emergency Child Care Bridge Program for

Foster Children (Bridge Program), <https://www.cdss.ca.gov/inforesources/child-care-and-development/child-care-and-development-programs> (last visited Aug. 16, 2024).

¹⁹ [S. B. 163](#), 2023-24 Leg. Reg. Sess. § 19 (Cal. 2024), Chapter 73, Statutes of 2024 ([adding Cal. Welf. & Inst. Code § 10212.6](#)).

²⁰ All the spaces and vouchers in the child care expansion plan are subject to funding in the budget for that fiscal year. See [Cal. Welf. & Inst. Code § 10212.6 \(b\)\(2\)\(A\)-\(D\)](#) (“subject to an appropriation in the annual Budget Act”).

²¹ See [S. B. 108](#), 2024-25 Leg. Reg. Sess. § 190 Item 5180-101-0001 Provision 12 (Cal. 2024), Chapter 35, Statutes of 2024; see also Cal. Dep’t Soc. Servs., *2024 Budget Act Executive Summary*, 9 (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-Budget-Act-Executive-Summary.pdf> (“estimated \$228.6 million TF (\$117.4 million GF) for continued slot expansion, representing approximately 11,000 new general child care (CTTR) slots, beginning October 1, 2024.”).

²² All the spaces and vouchers for this fiscal year are subject to funding in the budget. See [Cal. Welf. & Inst. Code § 10212.6 \(b\)\(2\)\(B\)](#).

²³ All the spaces and vouchers for this fiscal year are subject to funding in the budget. See [Cal. Welf. & Inst. Code § 10212.6 \(b\)\(3\)](#).
²⁴ See [S. B. 108](#), 2023-24 Leg. Reg. Sess. § 190 Item 5180-101-0001 Provision 25 (Cal. 2024), Chapter 35, Statutes of 2024 (Reappropriating up to \$33,666,000 from previous Budget for 2024-25 program funding) & Cal. Dep’t Soc. Servs., *Local Assistance 2024-25 Appropriation Detail Tables 1* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25-appropriation-tables.pdf> (Ln. 148 Emergency Child Care Bridge, \$31,987,000).

We determined this number as follows: \$65.653 million/\$10,619. The total funding allocated to this program, \$65.653 million, divided by the cost of each space, \$10,619. See Cal. Dep’t Soc. Servs., *Local Assistance 2024 May Revision Reference Documents 24* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25/2024-25-May-Revision-Reference-Documents.pdf>.

²⁵ [S. B. 108](#), 2023-24 Leg. Reg. Sess. § 195 Item 5180-101-0001 Provision 13 (Cal. 2024), Chapter 35, Statutes of 2024.

²⁶ [S. B. 108](#), 2023-24 Leg. Reg. Sess. § 195 Item 5180-101-0001 Provisions 13 & 25 (Cal. 2024), Chapter 35, Statutes of 2024.

²⁷ [Assemb. B. 176](#), 2023-24 Leg. Reg. Sess. § 31 ([amending Cal. Health & Safety Code § 1596.809](#)). AB 176 bill is currently going through the legislative process and has not become law as of Sep. 6, 2024.

²⁸ [Assemb. B. 176](#), 2023-24 Leg. Reg. Sess. § 33 ([amending Cal. Health & Safety Code § 13235](#)). AB 176 bill is currently going through the legislative process and has not become law as of Sep. 6, 2024.

²⁹ [S. B. 163](#), 2023-24 Leg. Reg. Sess. § 23 (Cal. 2024), Chapter 73, Statutes of 2024 ([adding Cal. Welf. & Inst. Code § 10602.1](#)).

³⁰ [S. B. 163](#), 2023-24 Leg. Reg. Sess. § 23 (Cal. 2024), Chapter 73, Statutes of 2024 ([adding Cal. Welf. & Inst. Code § 10244](#)).

³¹ See generally Cal. Dep’t Soc. Servs., California Work Opportunity and Responsibility to Kids (CalWORKs), <https://www.cdss.ca.gov/inforesources/calworks> (last visited Aug. 16, 2024).

³² See Cal. Dep’t Soc. Servs., *Local Assistance 2024-25 Appropriation Detail Tables 1* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25-appropriation-tables.pdf> (Ln. 53 Family Stabilization).

³³ See [Cal. Welf. & Inst. § 11450.027](#).

³⁴ [Assemb. B. 161](#), 2023-24 Leg. Reg. Sess. § 20 (Cal. 2024), Chapter 46, Statutes of 2024 ([amending Cal. Welf. & Inst. Code § 11450.025](#)).

³⁵ [S. B. 108](#), 2023-24 Leg. Reg. Sess. § 199 Item 5180-495 Provisions 4, 7 & 8 (Cal. 2024), Chapter 35, Statutes of 2024 (all provisions include the language “The funding level appropriated for these purposes is intended to align budgeted resources, on a temporary basis, with recent trends in annual expenditures.”).

³⁶ [S. B. 108](#), 2023-24 Leg. Reg. Sess. § 199 Item 5180-495 Provision 4 (Cal. 2024), Chapter 35, Statutes of 2024; see also Cal. Dep’t Soc. Servs., *Local Assistance 2024-25 Appropriation Detail Tables 1* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25-appropriation-tables.pdf> (Ln. 52 Expanded Subsidized Employment). This is \$37,045,000 less than what was appropriated in FY 2023-24. See Cal. Dep’t Soc. Servs., *Local Assistance 2024 May Revision Detail Tables 3* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25/2024-25-May-Revision-Detail-Tables.pdf> (Table Number 1 2023-24 May Revision to 2023-24 Appropriation Ln. 58 Home Visiting Program - Visits. In 2023-24, the Home Visiting Program - Visits appropriation was \$94,975,000).

³⁷ [S. B. 108](#), 2023-24 Leg. Reg. Sess. § 199 Item 5180-495 Provision 7 (Cal. 2024), Chapter 35, Statutes of 2024; see also Cal. Dep’t Soc. Servs., *Local Assistance 2024-25 Appropriation Detail Tables 1* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25-appropriation-tables.pdf> (Ln. 55 Home Visiting Program - Visits). This is \$20,775,000 less than what was appropriated in FY 2023-24. See Cal. Dep’t Soc. Servs., *Local Assistance 2024 May Revision Detail Tables 3* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25/2024-25-May-Revision-Detail-Tables.pdf> (Table Number 1 2023-24 May Revision to 2023-24 Appropriation Ln. 58 Home Visiting Program - Visits. In 2023-24, the Home Visiting Program - Visits appropriation was \$94,976,000).

³⁸ [S. B. 108](#), 2023-24 Leg. Reg. Sess. § 199 Item 5180-495 Provision 8 (Cal. 2024), Chapter 35, Statutes of 2024; see also Cal. Dep’t Soc. Servs., *Local Assistance 2024-25 Appropriation Detail Tables 1* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25-appropriation-tables.pdf> (Ln. 50 Mental Health & Substance Abuse Services). This is \$37,606,000 less than what was appropriated in FY 2023-24. See Cal. Dep’t Soc. Servs., *Local Assistance 2024 May Revision Detail Tables 3* (2024), <https://www.cdss.ca.gov/Portals/9/Additional-Resources/Fiscal-and-Financial-Information/Local-Assistance-Estimates/2024-25/2024-25-May-Revision-Detail-Tables.pdf> (Table Number 1 2023-24 May Revision to 2023-24 Appropriation Ln. 53 Mental Health & Substance Abuse Services. In 2023-24, the Mental Health & Substance Abuse Services appropriation was \$126,606,000).

³⁹ Assemb. Budget Comm., *Agenda Oversight on Budget Reserves*, 4 (Aug. 6, 2024), https://abqt.assembly.ca.gov/system/files/2024-08/august-6-agenda_0.pdf.

⁴⁰ [Cal. Welf. & Inst. Code § 11011\(c\)](#).

⁴¹ [S. B. 163](#), 2023-24 Leg. Reg. Sess. § 5, 5 (Cal. 2024), Chapter 73, Statutes of 2024 (amending [Cal. Educ. Code § 8205 \(ab\)](#) (defining CSPP-eligible children includes two-year-olds) and [Cal. Educ. Code § 8207.1 \(a\) & \(d\)](#) (CSPPs are may enroll eligible two-year-old children. The section becomes inoperative on July 1, 2027.)).

⁴² [Cal. Educ. Code § 8205 \(aa\)](#).

⁴³ [Assemb. B. 176](#), 2023-24 Leg. Reg. Sess. § 1 ([amending Cal. Educ. Code § 8207.1](#)). AB 176 bill is currently going through the legislative process and has not become law as of Sep. 6, 2024.

⁴⁴ Publicly funded child care programs, including CSPPs, must maintain enrollment waiting lists and prioritize families in a specific order outlined in state law. For example, families whose children receive child protective services or at risk of experiencing abuse, neglect, or exploitation have first priority for enrollment into CSPPs. This year's Budget adds two-year-old children (who do not fall under the first priority) to be fourth priority on CSPP waiting lists. See [Assemb. B. 176](#), 2023-24 Leg. Reg. Sess. § 2, 3 ([amending Cal. Educ. Code § 8210](#) & [Cal. Educ. Code § 8211](#) respectively). AB 176 bill is currently going through the legislative process and has not become law as of Sep. 6, 2024.

⁴⁵ [S. B. 163](#), 2023-24 Leg. Reg. Sess. §§ 7, 10 (Cal. 2024), Chapter 73, Statutes of 2024 (amending [Cal. Educ. Code § 8208](#) (removing the requirement to set aside 10% of funded enrollment for children with exceptional needs)).

⁴⁶ See [Cal. Const. art. XVI, § 8](#).

⁴⁷ Assemb. Budget Subcomm. No. 3 on Educ. Finance., *Agenda 6100 California Department of Education Proposition 98: All Agencies 12* (Feb. 27, 2024), https://abgt.assembly.ca.gov/system/files/2024-02/sub-3-feb-27-agenda_0.pdf.

⁴⁸ [S. B. 154](#), 2023-24 Leg. Reg. Sess. § 1(b) (Cal. 2024), Chapter 27, Statutes of 2024; see also S. Rules Comm., *Education finance Proposition 98: suspension 1* (June 13, 2024),

https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=202320240SB154 (S.B. 154 June 13, 2024 S. floor analysis available for download).

⁴⁹ [S. B. 154](#), 2023-24 Leg. Reg. Sess. § 1(c) (Cal. 2024), Chapter 27, Statutes of 2024; see Dep't Finance, *California State Budget 2024-2025 16* (2024), <https://ebudget.ca.gov/2024-25/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf> (maintenance factor is about \$8.3 billion in 2023-24); see also S. S. Rules Comm., *Education finance Proposition 98: suspension 1* (June 13, 2024), https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=202320240SB154 (S.B. 154 June 13, 2024 S. floor analysis available for download); see generally [Cal. Const. art. XVI, § 8 \(d\)-\(e\)](#) & Cal. Budget & Pol'y Ctr., *The 2024-25 California State Budget Explained* (July 2024), <https://calbudgetcenter.org/resources/the-2024-25-california-state-budget-explained/> ("The Prop. 98 suspension creates a funding gap called "maintenance factor." Constitutional provisions require that the Prop. 98 guarantee be restored to the level it would have reached absent the suspension. This happens over time by accelerating growth in the minimum guarantee depending on General Fund revenue growth. Furthermore, the maintenance factor amount is adjusted annually to reflect changes in student enrollment and the cost of living.").

⁵⁰ See Dep't Finance, *California State Budget 2024-2025 16* (2024), <https://ebudget.ca.gov/2024-25/pdf/Enacted/BudgetSummary/FullBudgetSummary.pdf>.

⁵¹ [S. B. 153](#), 2023-24 Leg. Reg. Sess. § 16 (Cal. 2024), Chapter 27, Statutes of 2024 (adding Cal. Educ. Code § 41206.04 (c)(1)(A)); see also S. S. Rules Comm., *Education finance education omnibus budget trailer bill 1* (June 26, 2024),

https://leginfo.legislature.ca.gov/faces/billAnalysisClient.xhtml?bill_id=202320240SB154 ("Establishes an obligation schedule for \$6.2 billion General Fund from 2022-23, which will begin in 2026-27 with \$544.2 million General Fund per year until 2035-36") (S.B. 153 June 26, 2024 S. floor analysis available for download).