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March 8, 2024

The Honorable Jesse Gabriel, Chair  
Assembly Budget Committee  
1021 O Street, Suite 8230  
Sacramento, CA 95814

The Honorable David Alvarez, Chair  
Assembly Budget Subcommittee No. 3  
1021 O Street, Suite 5320  
Sacramento, CA 95814

**Re: 2024-2025 State Budget Request – Maintain Current Funding and One-Time \$50 Million Childcare Facilities Funding**

Dear Assemblymember Gabriel and Assemblymember Alvarez,

I am writing to urge that the Legislature continue to prioritize available funding for early learning and care facilities through the Child Care and Development Infrastructure Grant Program (Program) at the California Department of Social Services. The Program is currently oversubscribed and interest for additional funding from child care providers continues. This Program has been successful, should be preserved, and should be prioritized for additional funding.

If general fund revenues should improve in the next few months, I would request \$50 million in one-time funding from the 2024-2025 State Budget towards the Program. This funding could be identified from a number of sources including General Fund, federal funds, or potential bond funds. This funding would continue to support child care providers needing assistance in repairing and/or renovating their existing facilities or major construction for expanding or building new facilities. An additional \$50 million investment would impact an estimated 8,000 child care seats across the state.

Whether home or center-based, childcare providers throughout the state have diverse needs in maintaining and building high-quality and safe environments. This Legislature has prioritized facilities funding in past budget years by allocating \$300.5 million from the General Fund and the federal American Rescue Plan Act. These efforts have been instrumental in helping address a myriad of childcare facility-related needs.

The Program has demonstrated successful outcomes thus far. In 2022, more than 5,000 providers requested over \$380 million to upgrade and retrofit their program spaces. There has been statewide participation in the Program, as providers from all 58 counties submitted applications for funding. In Los Angeles County alone, 760 providers applied for grant funds and \$39 million was awarded. This funding will support facilities serving 16,026 children in Los Angeles County. Unfortunately, the Program only had \$200.5

million available for repair and renovation grants, with unmet facility needs for hundreds of providers remaining. To date 3,813 providers statewide have been approved for funding preserving and enhancing spaces for 125,000 children and preserving 24,000 jobs. Over 1,800 providers applied for the 2023 new construction and major renovation grant opportunity, with requests totaling over \$600 million. Unfortunately, the Program currently only has \$150 million available for new construction and major renovation grants.

Demand far exceeds the funding available to child care providers who need assistance with their facilities renovations and expansions. We must protect current funding available and prioritize additional funding if the 2024-2025 budget allows.

Thank you for your consideration of this request.

Sincerely,



Lisa Calderon  
Assemblymember, 56<sup>th</sup> District



Diane Papan  
Assemblymember, 21<sup>st</sup> District

Cc: Christian Griffith, Chief Consultant, Assembly Budget Committee  
Erin Gabel, Early Childhood Education Consultant, Assembly Budget Committee