AB 123 (McCarty)
FACT SHEET

SOLUTION
This bill makes it easier for families to enroll in subsidized preschool and child care by expanding categorical eligibility to families who need child care services and who are enrolled in Medi-Cal or CalFresh. It also reduces the paperwork and administrative burdens on child care providers by permitting them to enroll categorically eligible children without verifying or documenting income eligibility and accepting self-certification of income for the purpose of prioritizing enrollment and calculating family fees.

AB 123 also grants flexibilities to providers to better meet the needs of families particularly in light of disruptions during the COVID-19 pandemic and recovery. Specifically, this bill would allow child care and preschool contractors to freely transfer funds between their state preschool and general child care contracts, permit contractors to comingle classrooms for children ages 0-12 with developmentally appropriate services/standards, provide flexibility in the use of reserve funds, and enable subsidized contractors to waive family fees for those who are receiving distance learning rather than in-person care.

To assist both families and early learning and preschool providers, AB 123 supports California’s subsidized early learning system in meeting both long and short-term goals to maximize existing slots and serve the most children in need.

SUPPORT
Early Edge California (lead co-sponsor)
Kidango (lead co-sponsor)
Advancement Project (co-sponsor)
Fight Crime: Invest in Kids (co-sponsor)

SUMMARY
AB 123 offers subsidized preschool and child care providers new tools and flexibilities to better meet the needs of families in their communities, improve continuity of care for children, and decrease administrative costs during the COVID-19 pandemic and recovery.

AB 123 also enables at-risk families to more easily enroll in subsidized child care by reducing the amount of additional paperwork families enrolled in other safety net services need to provide.

ISSUE
Research shows that quality learning experiences during children’s critical early years of brain development are pivotal to their success in school, overall well-being, and prospects in life.

High-quality preschool improves a child’s school readiness and social-emotional development and builds a foundation for future success. The benefits of high-quality preschool are especially powerful for disadvantaged children who often enter kindergarten months behind their peers and struggle to catch up. Achievement gaps appear to emerge early in a child’s development, and are partly the result of lack of access to high-quality early childhood educational opportunities for children from low-income families.

Furthermore, as the COVID-19 pandemic persists, subsidized preschool and child care providers are struggling to best meet the needs of families due to the economic hardships resulting from fluctuating attendance and costs associated with evolving public health requirements.