2025-2026 General Assembly

SENATE BILL 257: 2026 Appropriations Act, Sec. 9D.4: Subsidized Child Care/Increase Reimbursement Rates, Implement a Rate Floor, and Require Additional Reporting at the 50th Percentile for the Next Market Rate Study

Analysis of:	S.L. 2026-41, Sec. 9D.4	**Date:**	August 17, 2026
		Prepared by:	Legislative Analysis Division Staff

Section 9D.4 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.2 of S.L. 2026-42, increases the child care subsidy market rates for children in three-, four-, and five-star rated centers to the seventy-fifth percentile as recommended by the 2023 Child Care Market Rate Study. Payment rates for child care providers in counties that have a county rate below the State rate for children in three-, four-, and five-star rated centers will also be set at the seventy-fifth percentile statewide market rate as recommended by the 2021 Child Care Market Rate Study. The new rates will be paid beginning October 1, 2026.

The Division of Child Development and Early Education must include in its next market rate study reporting of statewide rates at the fiftieth percentile in addition to reporting at the seventy-fifth percentile.

This section became effective July 1, 2026.

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