

From: Marta Hester <mhester@smartstart.org>

Sent: Friday, August 8, 2025 4:03 PM

To: LPExecutiveDirectors <LPExecutiveDirectors@ncsmartstart.org>

Subject: Smart Start Network Public Policy Update for Week of August 4 - August 8, 2025

Good afternoon,

It's August 2025 and there is still no budget; however, the Smart Start Network must remain vigilant by ensuring we continue our advocacy for our three priorities in the proposed House and Senate budgets: funding for Dolly Parton's Imagination Library, Mental and Behavioral Health Services, and the Child Care Workforce (Academies) Pilot Program. It is possible there may be a series of mini budgets or a 2025 Appropriations Bill will not be enacted until much later as the 2025 legislative session continues. I am resending the House and Senate Budget Comparison Chart for easy reference. Amy is continuing to elevate our education and advocacy efforts to the next phase and will soon be on a BusinessNC podcast to help emphasize the importance of Smart Start to NC's economy and the important role of the network as ***Investing in Smart Start is Investing in North Carolina***. September 2025 is Smart Start Month, and we are glad to see many of the partnerships already planning events to include local chambers and businesses.

The ECE Advocacy Group recently met with Candace Witherspoon, Director, NC Division of Child Development and Early Education, to discuss budget options for a subsidy market rate floor. This structure is based on some of the provisions outlined by Senator Ralph Hise in Senate Bill 412, [Childcare Subsidy Rate Increase & West Pilot](#). Advocates plan to request a floor at \$120 million, which is similar to the \$123 million allocated in Senator Hise's bill, although data are still being refined. I understand the NC Department of Health and Human Services' key priority will be Medicaid, especially now because of the passage of H.R. 1, One Big Beautiful Bill, at the federal level. That's not to say that the interest in early care and education issues doesn't exist, but it is now up to the advocates and stakeholders to push for a subsidy market rate floor.

Once again, this is a reminder that **August 12th is the Child Care Day of Action**. An information sheet which also includes access to a toolkit is attached. Child care business owners and nonprofit child care directors are being asked to sign a legislative letter advocating for a subsidy market rate floor and other supports for early care and education. The letter has already received over 400 signatures with a goal of 500.

STATE UPDATES

NC General Assembly Updates

Governor Stein signed [SL 2025-89](#) (House Bill 125) on Continuing Budget Operations, which is a mini budget passed by the NC General Assembly when they were in Raleigh last month on July 29th and 30th. Once again, as mentioned previously, state legislators have now passed an adjournment resolution, [Resolution 2025-8](#), (SJR 772) scheduling dates to return monthly to consider the passage of a state budget, override vetoes, election law changes, disaster recovery, actions on gubernatorial nominations or appointment, and a few other measures defined in the resolution. State legislators will convene on the dates as follows: **August 26-28, September 22-25, October 21, November 18, December 16, January 13, February 10, March 10, and April 7**. When legislators return on Tuesday, August 26, 2025, the House will consider overriding the six bills vetoed by Governor Stein which includes several bills monitored by the Smart Start Network. Also, the Governor recently vetoed House Bill 87, Educational Choice for Children Act (ECCA), which can be overridden by the House and Senate upon their return. For more information on House Bill 87, see below.

- [Governor's Veto of H.B. 87](#)
- [H.B. 87 Bill Information](#)

For Year 2 of the 2025-2027 biennium, the **2026 legislative session will officially convene on Tuesday, April 21, 2026, at 12:00 noon**. Bills making crossover during the current 2025 legislative session are still eligible for consideration during the 2026 legislative session.

Comprehensive Strategic Economic Development Plan

The Secretary of the NC Department of Commerce is required to review and update the existing Comprehensive Strategic Economic Development Plan on or before April 1 of each year. The Plan should cover a period of four years and each annual update will extend the time frame by one year so that a four-year plan is always in effect. The first step in developing the Plan requires developing an environmental scan based on input from economic development parties, the public and on information about NC's economic environment. The University of North Carolina [School of Government's ncIMPACT Initiative](#) is partnering with the Department of Commerce to facilitate listening sessions in each of the state's eight [Prosperity Zones](#), plus one virtual statewide session. Stakeholders are asked to register and attend. This project presents an opportunity for all Smart Start Local Partnerships to be a part of the process to help discuss community and statewide challenges as it relates to economic growth and workforce development. To register for a session near you, see the link below.

- [2026 Strategic Plan Development | NC Commerce](#)
- [Your Region, Your Voice: Join the NC Economic Development Listening Series - ncIMPACT Initiative](#)
- Sessions will be held at the following locations with one virtual session held on September 30, 2025:
 - August 27, 10:00-11:45 AM | Durham (Central Pines Regional Council)
 - August 28, 3:00-4:45 PM | Kernersville (Piedmont Triad Regional Council)
 - September 8, 3:00-4:45 PM | Charlotte
 - September 12, 10:00-11:45 AM | Pembroke
 - September 18, 3:00-4:45 PM | Sylva
 - September 19, 10:00-11:45 AM | Lenoir
 - September 23, 10:00-11:45 AM | Edenton
 - September 24, 10:00-11:45 AM | Jacksonville
 - **Virtual Option:** September 30, 10:00-11:00 AM | Statewide Virtual Session

FEDERAL UPDATES

Birthright Citizenship

According to guidance released by the United States Department of Homeland Security, Citizenship and Immigration Services, ([USCIS](#)) the [State Department](#), and the Trump Administration: A baby born in the United States will **not** be considered a citizen **if:** The mother is undocumented, or The mother is "lawfully but temporarily" present in the U.S. (such as on a student visa, tourist visa, work visa, DACA, TPS, or humanitarian parole), and the father is not a U.S. citizen or lawful permanent resident (green card holder).

- [USCIS Implementation Plan of Executive Order 14160 – Protecting the Meaning and Value of American Citizenship](#)

RESOURCES

NC Child

This report explores how private child care programs, including center-based, family child care homes, and faith-based providers are working to sustain their programs amid rising tuition pressures, workforce shortages, and inadequate public funding.

- [Building Blocks and Bottom Lines: The Financial Realities of Operating a Child Care Business in North Carolina - NC Child](#)

NC Task Force on Early Care and Education

For a good overview of the NC child care landscape to use in presentations or discussions, see pages 1-3 of The Governor's Task Force on Early Care and Education Interim Report.

- [Read the Task Force's full report here.](#)

National Governors Association

This article focuses on the impact the federal One Big Beautiful Bill will have on early care and education.

- [Proposed Federal Funding Changes to State and Territory Early Childhood Care and Education Systems - National Governors Association](#)

Thank you for continuing to keep me informed about all your great advocacy across the state. It is helpful during meetings at the NC General Assembly to know many of these relationships have already been established with state legislators through grassroots advocacy across the network. Please plan to join the Smart Start Network Public Policy Meeting to be held next **Friday, August 15, 2025, to begin promptly at 10:00am** (with the possibility the meeting may be extended to 11:15am). There is a full agenda to include both state and federal updates, so we don't anticipate time for questions in the meeting. Also, in September we will have a virtual Town Hall, more details will be provided at next week's meeting.

Marta



Marta T. Hester
Public Policy Director
984.221.1221

The North Carolina Partnership for Children
1100 Wake Forest Rd, Raleigh, NC 27604