

Illinois Early Learning Council Ad Hoc Committee on Federal Resources and Programs

January 15, 2026

Agenda

1. Welcome
2. Federal Government Updates
 - Child Care Funding Freeze
 - Lesley Schwartz, Director, IDHS Division of Early Childhood
 - Child Care Development Fund Notice of Proposed Rulemaking
 - Sinthu Ramalingam, Senior Policy Advisor, IDHS Division of Early Childhood
 - Federal Continuing Resolution
 - Head Start Litigation
3. IDEC update
 - Preschool Development Block Grant Birth to Five
4. Public Comment
5. Next Steps

Please put your
name and
organization in the
chat

Federal Updates

- On 1/6, the Trump Administration announced their decision to freeze \$10 billion in federal funds for five Democratic-led states, temporarily halting IL's ability to draw down more than \$1 billion in social service funding for Illinois, including funds that support IL's CCAP program.
- On 1/9, the U.S. District Court for Southern District of New York issued a [temporary restraining order](#).
- IDEC + IDHS and Govs Office are in constant communication and sharing updates as they become available.
- **As of today, providers and families should continue to operate as usual.**



January 8, 2026

Dear Valued Partner,

On Tuesday, January 6, the Trump Administration announced their decision to freeze \$10 billion in federal funds for five Democratic-led states. Late Tuesday evening, the administration notified Illinois that this includes temporarily halting the State's ability to draw down more than \$1 billion in social service funding for Illinois. This includes over \$900 million in combined annual support from the Temporary Assistance for Needy Families (TANF) and Child Care and Development Block Grants (CCDBG), which provide most of the funding for Illinois' Child Care Assistance Program (CCAP).

The news of this funding freeze is creating needless and harmful confusion. The State has been monitoring the situation carefully and exploring all available options to protect our state's employers, workforce, and the families who count on all of us to keep CCAP strong.

Despite this cruel attack on children and families, **as of January 7, 2026, we do not anticipate that funding will be impacted immediately.** We recognize that the Trump Administration's freeze has already imposed tremendous uncertainty on organizations, and it will have immediate effects on efforts to plan for the future, including planning future staffing and program operations.

We urge you to use your voices to advocate against the Trump Administration's actions, which not only destabilizes Illinois' child care ecosystem, but has a devastating impact on jobs and the economy.

We realize there are many unanswered questions about this alarming federal action against the people of our state and we will provide more updates as soon as they are available.

Sincerely,

Lesley Schwartz
Director, IDHS Division of Early Childhood

Child Care Development Fund Notice of Proposed Rulemaking

On January 5, 2026, the Administration for Children and Families (ACF) published a new Notice of Proposed Rulemaking (NPRM) that would rescind several requirements from a March 2024 final rule for the Child Care Development Fund (CCDF), issued during the Biden Administration.

Comments on the proposed rule are due on February 4, 2026.

[Link](#) to Notice of Proposed Rulemaking

Child Care Development Fund Notice of Proposed Rulemaking

The proposed rule would rescind the following requirements:

- **Grants & Contracts:** The NPRM proposes to rescind requirements for states to provide some portion of direct child care services via grants or contracts for children in underserved areas, infants and toddlers, and children with disabilities.
- **Co-Payment Caps:** The NPRM proposes reverting from the mandatory 7% family co-payment cap to allowing states flexibility in determining what constitutes a cost barrier for families.
- **Provisions to stabilize provider payments:** The NPRM proposes to rescind the requirement that payments to providers are paid prospectively (i.e., by the beginning of the delivery of services) and based on enrollment rather than attendance.

Federal Govt. Continuing Resolution

Federal funding expired under the current Continuing Resolution (CR) on January 30, 2026.

The House and Senate Appropriations Committees are continuing negotiations on a final FY2026 Labor, Health and Human Services, Education, and Related Agencies Appropriations bill, which may be included in an additional minibuss package later this month, if an agreement is able to be reached.

Head Start Litigation Update

A federal judge has issued a preliminary injunction blocking the U.S. Department of Health and Human Services' (HHS) ban on diversity, equity, inclusion, and accessibility (DEIA), as well as proposed reductions in workforce and office closures within the Office of Head Start.

IDEC Update

IDEC Update: Preschool Development Block Grant (PDG B-5) Systems Building Grant

PDG Program Priorities align well to Illinois' current work:

1. Develop a shared, comprehensive statewide vision for early care and education
2. Build a unified, coherent statewide early care and education system
3. Maximize family choice for early care and education options

Funding: \$222,000,000 Total

- Federal (ACF), competitive, available to 45 states; anticipate 25 awards

Implementation Timeline: 1 year

- Dec 31, 2025 – Dec. 31, 2026

Maximum Award: \$500K- \$15M

- IL applied for \$14,906,142

Application Due Date: Dec. 1, 2025 (less than 2 weeks to apply)

Update: Illinois was not selected as a recipient of funding for the PDG-B5 grant due to insufficient funds



Public Comment

Next Steps

- Meeting schedule: Ad Hoc is typically held **Thursdays at 11AM-12PM** every other week
- **Based on the feedback we hear from this poll, that will allow the co-chairs to better understand preferred meeting cadence moving forward**
- In the meantime, if there are any topics that you want to learn more about or hear, please feel free to let us know