

2019-20 Proposed Budget Summary (5/28/2019)

	JANUARY BUDGET PROPOSAL	MAY REVISE	Senate Budget Package Per 5/15/19 Sub. 1 Hearing Agenda	Assembly Budget Package Per 5/22/19 Sub. 2 Hearing Agenda
Child Care and Early Learning				
Early Learning and Care Master Plan	\$10 million for the State Board of Education develop a long-term plan to improve access to and quality of subsidized child care.	No noted change	<p>Approves Governor’s proposal with following amendments:</p> <ul style="list-style-type: none"> • Reduce SBE research plan to \$5 million • Require the SBE to convene stakeholders to recommend priority areas of study related to gaps in the current research • Require reporting to Department of Finance with notification to JLBC on selected studies and costs before expenditure of funds for research studies • Of the \$5 million total, provide \$1 million each for a study on facilities arrangements and a study on child care and accessibility recommendations • Extend the reports to include care for ages 0-12, with focus on ages 0-5; • Remove the exemptions to the regular contracting process. 	<p>Approves Governor’s proposal with following amendments:</p> <ul style="list-style-type: none"> • Reduce SBE research plan to \$5 million • Require the SBE to convene stakeholders to recommend priority areas of study related to gaps in the current research • Require reporting to Department of Finance with notification to JLBC on selected studies and costs before expenditure of funds for research studies • Of the \$5 million total, provide \$1 million each for a study on facilities arrangements and a study on child care and accessibility recommendations • Extend the reports to include care for ages 0-12, with focus on ages 0-5; • Remove the exemptions to the regular contracting process. Additionally, provides \$2.25 million in ongoing General Fund to establish the Early Childhood Policy Council to continue and build on the work of the Assembly Blue Ribbon Commission on Early Childhood Education. Includes parent and workforce advisory committees to work toward the recommendations outlined in Blue Ribbon Commission report.
Facilities	\$245 million one-time General Fund for child-care facilities. Does not indicate if this funding would augment existing facility		<p>Adopt TBL with following amendments:</p> <ul style="list-style-type: none"> • Specify that of the funds provided in the 2020-21 through 2023-24 fiscal years, up 	Approves January proposal and adopts TBL to align with AB 452 (Mullin) with following amendments:

	funding programs or create a new program.		<p>to 5 percent shall be set-aside for the purpose of assisting those who need to make facilities modifications to meet licensing requirements or who have been cited for health and safety violations that would lead to termination of their license</p> <ul style="list-style-type: none"> • Require quarterly reporting to the appropriate policy and fiscal committees each fiscal year 	<ul style="list-style-type: none"> • Transfers funding in the Child Care Facilities Revolving Loan Fund into Early Learning and Care Infrastructure Grant Program December 31, 2019 • Allows DOE to use up to 5% of the grant funding to contract with financial intermediaries in order to provide TA and support to grantees
Workforce Development	\$245 million for child care workforce. No details in the plan, though the stated goal is to “improve the quality of child care and move child care professionals along the early education/child care professional continuum”		<p>Adopt TBL with following amendments:</p> <ul style="list-style-type: none"> • Broaden educational activities to include trainings and support activities to increase a provider’s ability to provide quality care and make funding available for a broader range of providers and learning needs, including for providers who serve a population where English is the second language • Include educational opportunities for training and capacity building around operating a child care as a small business • Require quarterly reporting to the appropriate policy and fiscal committees each fiscal year 	Approves the Governor’s January proposal and May Revision proposed trailer bill language with additional modifications to align with AB 324 (Aguilar-Curry).
Alternative Payment		\$80.5 million from the Cannabis Tax Fund AP slots which would serve about 8,700 children.	Provide \$90 million in 2019-20 and \$150 million ongoing General Fund to provide additional AP and General Child Care infant and toddler slots. This action provides 12,250 AP slots and 1,800 General Child Care slots.	Rejects May Revision proposal. Instead, dedicate the \$80.5 million to increases rates for ASES program \$166 million in ongoing funding (\$153.2 million General Fund and \$12.8 million federal funds) for 16,831 AP vouchers and \$100 million in ongoing General Fund for 6,172 General Child Care slots in order to increase access to subsidized child care for low-income families.

Non-CalWORKs	Non-CalWORKs Child Care – \$79 million for a 3.46% COLA for non-CalWORKs child care and State Preschool programs and decreases slots by \$20 million to reflect a decrease in the birth to age four population.	3.26% for non-Prop 98 child care, which equates to \$63.2 million	Adopt May Revision	Adopt May Revision
CalWORKS Stage 1	CalWORKS Stage 1 Increase. Includes \$40.7 million in 2019-20 (\$50.4 million in future years) in General Fund to provide 12 months of child care eligibility for CalWORKS recipients in Stage 1.	\$40.7 million General Fund to implement a 12-month eligibility period for certain CalWORKS families. Intended to stabilize childcare for welfare-to-work families. The ongoing cost is estimated to increase to \$54.2 million General Fund in future years.		
CalWORKS Stages 2 and 3	Increases funding for CalWORKS Stages 2 and 3 child care by \$38.2 million, reflecting changes in caseload adjustments	Increases January Budget Allocation by \$17.5 million Stage 2 & \$20.6 million Stage 3	Adopt May Revision	Adopt May Revision
Emergency Childcare Voucher Pilot Program	--	\$12.8 million in federal funds for a pilot emergency child care program. Allows alternative payment agencies to provide emergency child care vouchers for families in crisis that are currently on the wait list and in need of temporary assistance.	Reject this proposal, redirect the funds to provide ongoing AP slots to provide access to stable long-term care for families	Rejects May Revision Proposal
Quality Counts		\$2.2 million ongoing federal funds through Quality Counts California to improve child care quality	Adopt May Revision	Adopt May Revision
Universal Preschool	<ul style="list-style-type: none"> • \$124.9 million General Fund to increase the number of slots in the CSPP to provide full-day, full-year access to State Preschool to all eligible low-income four-year-olds, with the goal of adding a total of 200,000 slots by 2021-22. • Shifts \$297.1 million Prop 98 General Fund for the CSPP to the non-Prop 98 General Fund. Shifting funds out of the Prop. 98 General Fund frees up funding for non-LEAs that have the capacity to serve children not served by LEAs. • Eliminates the parental work and 	Delay the release date for the first 10,000 slots to April 1, 2020 and postpone the remaining final 20,000 slots (total of 30,000 slots over 3 years)	Adopt May Revision	Adopt May Revision <ul style="list-style-type: none"> • Plus TBL to expand eligibility for the State Preschool program to include all families that live in a school attendance area where 80 percent or more students qualify for Free or Reduced Price Meal (FRPM).

	school requirement for the full-day CSPP			
Universal Full-day Kindergarten	\$750 million one-time non-Prop 98 General Fund to assist schools in constructing or retrofitting facilities to expand access to full-day kindergarten programs	<p>Adjusts the proposal to \$600 million one-time non-Prop 98 General Fund</p> <p>Added several revisions so funding is better targeted at expanding access to full-day kindergarten programs:</p> <ul style="list-style-type: none"> • Makes funding available over a three-year period, but with eligibility limited during the first two years to schools that will convert from part-day to full-day kindergarten programs • To provide a greater fiscal incentive, increase the state share of the facility grant from 50 percent to 75 percent for schools converting from part-day to full-day kindergarten 	Reduced to \$150 million one time for facilities	<ul style="list-style-type: none"> • Reduced the grant from \$600 million to \$200 million in one-time non-Prop 98 General Fund to be used over 3 years. • Expands eligibility to include facilities for LEAs to expand full-day State Preschool programs. • Rejects the Governor's proposed trailer bill language to increase the state share of the facility grant from 50 percent to 75 percent.
REDUCING CHILD POVERTY				
Local Child Support Agencies	Additional \$56 million for Local Child Support Agency administrative costs (\$36.9 million federal funds and \$19.1 million General Fund). The first of three year phase-in implementation. This creates more equitable funding across all local agencies and is anticipated to increase annual child support collections by hundreds of millions. The funding will be allocated to 21 counties with relatively lower funding levels.	--		
Student Parents	\$121.6 million General Fund to increase Cal Grants for students with dependent children. The spending plan proposes supporting CSU, UC and CCC students with dependent children.	--		

EARLY CHILDHOOD HEALTH AND WELLNESS				
Trauma and Developmental Screenings	<p>\$45 million to the Department of Health Care Services for ACEs screenings for children and adults in the Medi-Cal program (\$22.5 million federal funding and \$22.5 million Prop 56 funds)</p> <p>\$60 million for the Department to Health Care Services to increase developmental screenings for children (\$30 million federal funds and \$30 million Prop 56 funds)</p>	<p>\$25 million to train providers who will be administering screenings for trauma for children (\$20 million in 2020-21, and \$15 million in 2021-22 Prop 56 funds)</p> <p>Includes adjustments on trauma and developmental screenings to reflect cash-based accounting in Medi-Cal.</p>		
Home Visiting and Black Infant Health Programs	<p>Allocates \$78.9 million in a mix of federal funds and General Fund to provide home visiting services to eligible CalWORKs families.</p> <ul style="list-style-type: none"> • \$30.5 to public health <ul style="list-style-type: none"> ○ \$23 million General Fund to expand home visiting programs outside of the CalWORKs program for low-income mothers. Currently, federal funding funds home visiting programs for pregnant and newly parenting families who are at risk for adverse childhood experiences. This represents the state's first financial investment in home visiting for non-CalWORKs families. ○ \$7.5 million to increase participation in the Black Infant Health program, which aims to improve African-American infant and maternal health through group support services and case management. 	<p>Additional \$10.7 million General Fund and federal TANF block grant funds to reflect updated projections of CalWORKs cases eligible for home visiting services. This increase brings total funding in 2019-20 for the Home Visiting program to \$89.6 million, which is expected to serve 18,500 CalWORKs cases.</p> <p>Includes \$34.8 million federal funding to reflect reimbursements from the Department of Health Care Services for Medicaid-eligible activities previously not reflected in the Governor's Budget</p> <ul style="list-style-type: none"> • \$22.9 million additional to Home Visiting • \$12 million additional to Black Infant Health Program 		
Emergency Childcare Bridge		--		\$47 million increase to Emergency Child Care Bridge

Program for Foster Children				<ul style="list-style-type: none"> • \$38 million additional vouchers • \$5 million additional navigators who are working to find child care for foster children • \$4 million trauma-informed training for child care providers who care for foster children in early childhood programs
Paid Family Leave (PFL)	<p>Commitment to expand the PFL program to 6 months in future years. Would adjust the reserve requirement for the special fund that pays PFL claims.</p> <p>Convene a task force to study different options for expanding the program, including for caregivers with low-incomes who may not be able to afford to take time off of work to care for their family</p>	<p>Takes the first steps by extending the duration of the PFL program from 6 weeks to 8 weeks, effective July 1, 2020.</p> <p>The state will reduce the minimum reserve balance to a lower level, which the Administration states will be adequate.</p> <p>Affirms the plan to convene a PFL task force in the near future.</p>		
STATE OPERATIONS				
Child Savings Account (CSA)	<p>One-time investment of \$50 million General Fund to support pilot programs to increase access to CSAs among incoming kindergarteners.</p>	<p>Maintains one-time investment of \$50 million General Fund for CSA pilot programs and identifies California Student Aid Commission, with consultation from First 5 California, as the administrator of the pilot programs.</p>		
CDE State Operations				<p>Provides additional \$2 million in ongoing General Fund to support DOE Early Learning and Care Division in implementing the investments made for early childhood education</p>
Data Infrastructure				<p>Provides \$30 million in on-time General Fund for CDE to improve data collection</p> <ul style="list-style-type: none"> • \$16 million to begin a state program reporting system for state-funded CDE programs • \$10 million to improve local strategic planning councils • \$4 million for provider organization

				information collection
Reimbursement Rate Reform				Adopts TBL to establish a single regionalized state reimbursement rate for subsidized child care and prechool <ul style="list-style-type: none"> Provides \$45 million in 2019-20 (\$21.6 million General Fund and \$23.4 million Prop 98) and \$88 million in ongoing funding toward increasing rates under the new single reimbursement rate system.
Child Care Cost of Living Adjustment		Decrease by \$2.15 million non-Prop 98 General Fund to reflect the application of a COLA adjustment (COLA decreased from 3.46 to 3.26 percent at the May Revision)	Adopt May Revision	Adopt May Revision