Early Childhood Policy Council
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Current and Budget Year Early Childhood Proposals

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California Department of Finance
Budget Outlook: **Big Picture**

Department of Finance projects $54.3 billion budget deficit:

- $13.4 billion in Current Year
- $40.9 billion in Budget Year
Budget Proposal: **Early Learning and Care**

Early Childhood Policy Council

- $4.4 million reduction in one-time General Fund
- $2.2 million available for FY 2020-21 and 2021-22
Budget Proposal: Early Learning and Care

Child Care Data System
• $10 million reduction in one-time General Fund for planning and integration efforts

Full-day Kindergarten Program
• Eliminates proposal for $300 million for one-time expansion
Budget Proposal: Early Learning and Care

• Increased funding through the Federal Child Care & Development Block Grant (CCDBG)

• Ongoing $53.3 million to create approximately 5,600 Alternative Payment seats

• $13.4 million of federal funds through the Health and Human Services Agency for 2020 Preschool Development Grant award
Budget Proposal: Early Learning and Care

California State Preschool Program (CSPP)

• -$159.4 million of General Fund, eliminating 20,000 preschool expansion seats

• -$130 million General Fund for full-day, full school year CSPP spaces, to align funding with decreased state demand

• -$20.5 million Prop. 98 funding and -$11.6 million General Fund, suspends cost-of-living adjustments for providers
Budget Proposal: Early Learning and Care

California State Preschool Program Continued

*Reductions absent federal assistance:*

- -$94.6 million Prop. 98 funding and -$67.3 million General Fund, eliminating 10% reduction to the Standard Reimbursement Rate

- -$3.3 million Prop. 98 funding and -$3 million General Fund, eliminating 1% add-on to the full-day CSPP reimbursement rate

- -$170.5 million General Fund, eliminating 10% reduction to the Regional Market Rate
Budget Proposal: Early Learning and Care

Child Care

• Withdraws $363 million one-time General Fund and $45 million one-time Federal CCDBG funds that were appropriated to the Early Learning and Care Infrastructure Grant Program and the Workforce Development Grant Program

• Withdraws $75 million for the Inclusive Early Education Expansion Program
Budget Proposal: Early Learning and Care

Allocation of Coronavirus Aid, Relief, and Economic Security (CARES) Act funds:

• $73 million for emergency child care to expand access to child care for at-risk children and children of essential workers

• $8 million to provide 30-day extension of family fee waivers for child care programs

• $144.3 million to backfill costs associated with SB 89 to provide essential resources and support to child care providers and essential working families
Budget Proposal: **Early Learning and Care**

**Single State Agency Responsible for Child Care and Development**

- In lieu of new early childhood department, proposes $2 million in General Fund to consolidate the state’s child care programs (with the exception of State Preschool) under the Department of Social Services
Budget Proposal: Child Health

Adverse Childhood Experiences (ACEs)
• Reduces provider payments for ACEs screening from $37.7 million to $21.6 million
• Reduces ACEs training funds from $60 million to $20 million
• Reduces trauma screening value-based payments by $30 million
• Eliminates public education campaign for ACEs (-$10M)

Medi-Cal Healthier California for All Initiative (CalAIM)
• Eliminates CalAIM’s proposed Behavioral Health Quality Improvement Program
Budget Proposal: Child Health

Proposition 56

• Transfers $1.2 billion from supplemental payments for various family health care services
• The withdrawn Prop. 56 appropriations diverted to support Medi-Cal caseloads resulting from COVID-19 impact
• Prop. 56 funds for trauma screenings will continue to be supported
Budget Proposal: **Resilient Families and Communities**

**California Home Visiting Program and Black Infant Health Programs**

- Reduces proposed expansions, signifying a reduction of $4.5 million in ongoing General Fund beginning in 2020-21

**CalWORKs Home Visiting Program**

- Reduces funding by $30 million General Fund in 2020-21, absent additional federal funds
Budget Proposal: **Resilient Families and Communities**

**California Work Opportunity and Responsibility for Kids (CalWORKs)**
- Preserves expanded cash grants and includes additional funding to support higher caseloads

**Earned Income Tax Credit (EITC)**
- Continues with expansion of up to a $1,000 credit for eligible families with children under six

**Paid Family Leave**
- Expands paid family leave job protections, including $1 million in assistance to small businesses
Council Questions and Discussion