

## ***Governor’s Proposed Budget – January 2019-20***

On January 10, 2019, Governor Newsom released his first budget proposal as California’s newly elected Governor. The “California for All” budget, which has \$209 billion in total funding, provides what the Governor frames as a “strong foundation” for California’s future, as well as the fiscal discipline to endure future economic downturns.

The budget proposes aggressive repayment of debt and expansion of the Rainy Day Fund to 15.3%. They also anticipate continued modest growth over the next three years.

The focused investments include building the state’s resiliency, including the payoff of all debt the state currently holds, a payout to the state pension system and a quadrupling of the Safety Net Reserve.

The budget outlines a wide array of investments in education and human services.

The first section of the Budget Summary focuses on Early Childhood:

*“Providing children in California with a healthy start is one of the best investments the state can make. A growing body of research points to the link between early childhood interventions and improved outcomes years or even decades into the future: higher education levels, better health, and stronger career opportunities. Investing in early childhood enables these outcomes in the future while strengthening families and reducing child poverty immediately. The frame work adopted in this budget promotes a healthy start in three ways: (1) early access for children to educational and health care services, including services for those with adverse childhood experiences, (2) a two-generation approach that invests in parents so they can invest more in their children, and (3) easing financial pressures on parents so they can escape the cycle of poverty and focus on healthy development of their kids in those critical first five years of a child’s life.”*

**Kelly O’Connell, Chair**  
**Michael Olenick, Vice-Chair**  
**Paul Pulver, Treasurer**  
**Christina Z. Acosta, Secretary**

Child Care Resource Center

City of Norwalk

Connections for Children

Crystal Stairs, Inc.

Drew Child Development Corporation

International Institute of Los Angeles

Mexican-American Opportunity Foundation

Options for Learning

Pathways

Pomona Unified School District

The Governor is proposing the following in Early Childhood Programs:

Child Care and Early Learning:

**Universal Full Day Kindergarten** – \$750 million in one-time, non-Proposition 98 funding toward activities to reduce barriers to Full Day Kindergarten for all children

**Universal Preschool:**

- \$124 million in non-Proposition 98 General Fund for Full Day, Full Year access for all eligible low income 4-year-olds with additional funds in subsequent years to reach 200,000 slots.
- Elimination of parent enrollment for work or higher education for full day preschool enrollment.
- A shift of \$297 million from Proposition 98 to non 98 to create a single funding source for preschool which can be maximized in contracts and provide flexibility.
- Improved access and quality of subsidized care by providing \$500 million one-time money from the General Fund to expand subsidized child care facilities in the state and invest in the childcare workforce.

**Long Term Child Care Plan** – Creation of a comprehensive plan for a more aligned child care system by matching the \$10 million federal Preschool Development Grant with \$10 million in State General Fund resources to develop a long term strategic plan which will:

- Provide a framework including needed revenues to implement a comprehensive, high quality child care system in California
- Outline ways to simplify the subsidized child care system and increase access to subsidies, and
- Reflect the principle of shared responsibility and outline the appropriate role for government, businesses and parents in meeting child care needs.

**Additional Highlights in Early Childhood include:**

- 3.46% Cost of Living Adjustment for Education Programs
- \$119.4 million increase in CalWORKs Stages 2 and 3 to reflect increased caseloads from family eligibility and 12 month eligibility.
- \$26.8 million for full year implementation of prior year State Preschool slots
- Increasing CalWORKs grants to 50% of the Federal Poverty Level
- Increased child support enforcement

The Governor is proposing the following in Early Childhood Health and Wellness:

**Adverse Childhood Experiences Screenings** – \$45 million to the Department of Health Care Services

**Developmental Screenings** – \$60 million to the Department of Health Care Services

**Home Visiting** – \$79.9 million to provide Home Visiting services to CalWORKs Families and \$30.5 million in expanded Home Visiting programs in the Black Infant Health Program in the Department of Public Health

**Paid Family Leave** – The creation of a Task Force to phase in and expand Paid Family Leave to six months.