



2020-2021 Budget for Early Childhood Education and Care

Final Budget - June 2020

Early Learning Allocations

- Rejects Budget Cuts to Childcare Programs
 - Preserves provider reimbursement rates at their current levels
 - Holds harmless all state-subsidized childcare programs for attendance if open
 - Holds harmless all direct-contract providers if closed due to public health order, as long as distance learning is provided

- Transfers Childcare Programs to Department of Social Services (\$2.3M)
 - Effective July 1, 2021
 - Transfers Alternative Payment (AP) programs, CalWORKs Stage 2 & 3, General Childcare, Migrant Childcare, childcare for children with severe disabilities, Head Start and Early Head Start, Resource and Referral Agencies, Local Childcare and Development Planning Councils and Childcare Quality Improvement Projects, federal Child Development Block Grant and the required State Plan
 - Establishes a governor-appointed Deputy Director position to aid in the administration of the consolidated programs
 - The California Department of Education will continue to administer California State Preschool Program (CSPP)

- Allocates Federal CARES Act (\$198M)
 - Extends AP care for 90 days for children of essential workers, at-risk children and children with disabilities (\$73M)
 - Provides hold harmless provision for AP providers until June 30, 2021 (\$62.5M)
 - Provides one-time stipends to assist AP providers to address financial hardships or increased costs incurred due to COVID-19 (\$62.5M)

- Establishes Priorities for Future Federal Funds
 - Extends AP childcare to children of essential workers, at-risk children or children with disabilities (up to \$100M)
 - Increases program capacity for General Childcare/State Preschool Program, with priority given to infants and toddlers (Up to \$50M)
 - Provides stipends to assist licensed childcare homes and center-based programs that closed as a result of COVID-19 in re-opening (Up to \$25M)
 - Provides stipends for all subsidized childcare providers to help defray costs incurred during the COVID-19 pandemic (Up to \$125M)

Early Learning Reductions

- Eliminates proposed 2.31% cost of living increase
- Eliminates Child Care Infrastructure Grant (\$235M), except grants under the Early Inclusive Expansion Grant Program
- Eliminates Child Care Workforce Grants (\$150M)
- Eliminates Full-day Kindergarten Facilities funding (\$300M)
- Withdraws additional funding for Inclusive Early Education Expansion Program (\$75M)
- Suspends Expansion of California State Preschool Program
 - Withdraws ~33,000 mixed part-day and full-day CSPP slots in local education agencies. This funding was allocated in previous budget cycles but had not yet been awarded to school districts (\$110M)
 - Withdraws 10,000 full-day CSPP slots in community-based organizations planned for April 2020 (\$31M)
 - Withdraws January proposal for 10,000 full-day CSPP slots in 2021 (\$32M)
 - No currently filled CSPP slots will be eliminated

After School Education and Safety Program (ASES)

- Does not reduce ASES by \$100 million
- Provides \$100 million to increase the per-day student rates
- Authorizes the Department of Education to waive certain program requirements for the 2020-21 year to provide program flexibility

Early Childhood Health and Wellness Allocations

- Maintains or increases home visiting programs and children's health insurance programs
 - Maintains funding for CalWORKS home visiting at 2019-20 levels.
 - Increases funding for the Black Infant Health Program (\$4.5M)
 - Increases funding for Medi-Cal Healthy Families (\$15.5M)
 - The Public Health Nursing Early Intervention Program will not be eliminated, as proposed in the May Revise. Los Angeles County must seek approval for Medicaid reimbursement from the federal government and only perform activities that will be reimbursed by Medicaid.
- Expands Earned Income Tax Credit
 - Extends Earned Income Tax Credit and Young Child Tax Credit to individuals or families who file with an individual taxpayer identification number (ITIN) rather than a social security number, if the individual or family has a child younger than 6. The expansion is particularly important as undocumented families (who typically file with ITINs) were unable to access federal stimulus funds.

Early Childhood Health and Wellness Reductions

- Eliminates Adverse Childhood Experiences (ACES) Cross-Sector Training Program (\$10M)