

2018-19 California State Budget Information

[Click here to see budget process](#) (Updated: July 8, 2018)

Updates:

- [Click here](#) to read highlights from the signed 2018-19 budget to child care, early education, home visiting, CalWORKs and more.
- [2018-19 LAO Spending Plan Report](#)
- [2018-2019 California Budget & Policy Center First look](#)
- June 27, 2018 - 2018-19 Budget Signed. [Click here to read summary.](#) [DOF All Programs.](#) [DOF One-Pager.](#)
 - [Click here](#) to see listing of budget and trailer bills signed today.
 - Clarification for distribution of additional CAPP funds - The federal fund slots (11,307) begin July 1, 2018. The General Fund slots (2,100) begin September 1, 2018, to reflect available funding in 2018-19. (Alternative Payment Program Expansion—Increases of \$15.8 million non-Proposition 98 General Fund and \$204.6 million federal Child Care and Development Fund for a total of 13,407 new voucher slots, of which 11,307 are available until June 30, 2020.)
 - \$48.373 million General Fund and \$59.216 million Proposition 98 General Fund for the final augmentations associated with the multi-year funding agreement adopted as part of the 2016 Budget Act.
 - \$39.668 million General Fund for increases to the Standard Reimbursement Rate adjustment factors for infants, toddlers, children with exceptional needs, and severely disabled children.
 - \$15.833 million General Fund and \$204.590 million Federal Fund for a total of 13,407 new voucher slots.
 - \$167.242 million Proposition 98 General Fund for the Inclusive Early Education Expansion Program.
 - The Budget includes both a 2.71% COLA for all (aside from CalWORKs) and another SRR increase of 2.795%, for a total increase to the SRR of approximately 5.6%.

2018-19 May Revise

- June 25, 2018 - [ASM Floor Report Version 2](#)
- SEN Budget & Fiscal Review Committee review Trailer Bills - [Click here](#) to read
- ASM Committee on Budget - [Budget & Trailer bills](#)
- SEN Budget Committee June 13. [Agenda](#) [Roll Call Votes](#)
- [Assembly Budget Floor Report \(Version 1\)](#)
- [June 8 Conference Committee Adopted Actions on child care, preschool, kindergarten](#) [Click here to see full Conference Committee Close Out Agenda](#)
- [2018-19 Budget Conference Committee K-12 & Higher Education \(Including child care\)](#)
- [Open Items](#)
- 2018-19 Budget Conference Committee Health & Human Services - ANTI-DEEP POVERTY GRANTS AND COLAS - [Open Items](#)
- [AB 1806 - Budget Bill - FISCAL funding](#)
- [SB 840 - - Budget Bill as amended May 2, 2018](#)
- [SB 839 - Budget Bill as amended May 24, 2018](#)
- [Tuesday May 29, 2018 ASM Committee on Budget upon adjournment of session - Subcommittee reports, Q&A's, vote to accept ASM Version of the Budget](#) [Click here to see Subcommittee Reports](#)
- Wednesday May 30 @ 1:30 2018-19 Budget Conference Committee - SB 840. [Click here for agenda.](#) [LAO Committee Overview](#)
- [ECE Coalition Letter - 5/16/2018](#)

- Wednesday May 23 @ 1:30 pm Assembly Budget Subcommittee 1 on Education Finance in Room 447 - Proposition 98 and Child Care Close Out - [Agenda Proposition 98 Changes - Ongoing funds Proposition 98 - One-time fund changes](#) **ACTIONS TAKEN**
- [May 22nd - California Budget & Policy Center hosting free informational](#)
- ASM Subcommittee 2 on Education Finance - [Hearing Agenda](#), Outcomes & Votes
- SEN Subcommittee on Education - [Hearing Agenda](#), [Outcomes & Votes](#), [Proposition 98 changes](#)
- [DOF One-Pager](#), [DMC](#) and [Trailer Bill Language](#)
- [LAO Overview of January Budget versus May Revision regarding child care](#)
- [ASM Budget Committee Highlights of Governor's 2018-19 May Revision](#)
- [SEN Overview of the May Revision](#)
- [May Revision Budget Summary](#)
- [May Revise Details](#)
- [LAO Comments on 2018-19 May Revision](#)
- [California Budget & Policy Center PowerPoint on the 2018-19 May Revise](#)

CAPPA's Summary of the 2018-19 May Revise

OVERVIEW

Last Friday, the Governor released the May Revise. As expected, California's economy continues to be strong, with revenue growth continuing to outperform estimates. The May Revision proposes spending of \$199.3 billion in total state funds, consisting of \$137.6 billion from the General Fund, \$58.0 billion from special funds, and \$3.7 billion from bond funds. The May Revision factors in an additional \$8 billion in General Fund (GF) revenues for the current and budget years. Noting the additional revenue, the May Revision does not make real investments in programs such as child care and early education that have the Governor continues to commit an additional \$3.5 billion to California's constitutional rainy day fund bringing the amount to \$13.8 billion for future budget emergencies, as well as another \$3.2 billion in discretionary reserve that can be used for any purpose.

For the projected \$8 billion in GF, roughly \$4 billion is proposed for one-time spending to shore up the higher costs of existing programs in addition to \$2 billion for deferred maintenance for universities, courts, state facilities and flood control; \$359 for homelessness; and \$312 million allocated for counties to serve youth with mental illness.

CHILD CARE

- **Cost-of-Living Adjustment**
The May Revision includes an increase of \$2.2 million Proposition 98 General Fund and \$1.8 million non-Proposition 98 General Fund to reflect a change in the cost-of-living factor from 2.51 percent at the Governor's Budget to 2.71 percent at the May Revision.
- **Alternative Payment Program slots** - 34,325 May Revision (increased from 32,775 (2017-18 budget) to 33,096 January budget)
- **General Child Care slots** - May Revision 28,427 slots (no change)
 - Proposes an SRR increase for July 1, 2018 of 2.795%
- **Stage 2** - May Revision notes caseload of 58,674 an increase of 4,834 from January number of 53,840
 - No COLA
- **Stage 3** - May Revision notes caseload of 44,320 an increase of 8,231 January number of 36,089
 - No COLA
- **Migrant** - May Revision continues COLA and July 1 SRR Increase
- **Hold Harmless** - May Revision continues to restore funding so that no provider rates will be reduced

- **Other Child Care Activities** (R&Rs, LPCs, Child Care Initiative and Qualify Improvement) - May Revision notes \$117,818 an increase in funding from January of \$17,207 . This is due to federal quality funds and COLA.
- **CalWORKs Stage 1 child care** - May Revision notes slight increase in enrollment to 38,843 from 38,760; The May Revision proposes Funding for Stage 1 Child Care at \$326.8 million, a reduction of \$36.8 million from the 2017-18 appropriation, but an increase of \$675,000 above the January proposal. Specifically, the budget provides \$5.2 million non-Proposition 98 GF to reflect slight increases in the number of CalWORKs child care cases and slight decreases in the estimated cost of care.
- **Pilot Program Funding** - May Revision includes language to support CDE's pilot expansion bill ([AB 2626 \(Mullin\)](#))
- **Inclusive Early Education Expansion Program**
The Governor's January budget proposed an Inclusive Early Education Expansion Program, which anticipated a transfer of \$42.2 million TANF funds. Those one-time federal dollars are no longer available, so the May Revision includes total funding of \$167.2 million one-time Proposition 98 GF through a competitive grant program to increase the availability of inclusive early education and care for children aged 0 to 5 years old, especially in low-income areas and in areas with relatively low access to care. Grant recipients will commit that all children benefiting from grant funds, especially those with disabilities, have access to appropriate settings that support their educational and developmental growth.
- **State Preschool Slots** - This is the final allocation of 2,759 full-time slots for LEA's effective 2019
- **3-Year Promise** - This is the final year of a multi-year reinvestment promise from Governor Brown.

EMERGENCY FOSTER CHILD CARE BRIDGE - The May Revision provides full-year funding beginning July 1, 2018 of \$31 million for counties that opt into this program.

EDUCATION TRAILER BILL LANGUAGE - Amendments to trailer bill legislation to:

- (1) clarify the definitions of inclusive programs and children with exceptional needs,
- (2) clarify the intent of professional development for staff to develop best practices for inclusion,
- (3) specify that applicants will need to demonstrate how they will consult with special education experts when determining how to expend funds,
- (4) prioritize applicants that demonstrate the ability to serve a range of disability types and a proportion of children with disabilities consistent with the regional rate of identification,
- (5) specify that grant funds may be used for universal design practices,
- (6) specify that grant recipients must participate in program evaluation activities,
- (7) specify that up to 1 percent of program funds may be used for a program evaluation, and
- (8) remove federal TANF funding from the program.

All Department of Finance (DOF) that breaks down the CalWORKs, child care and other noted slot and budget numbers are hosted above.

2018-2019 Miscellaneous Handouts

- [NEW!!! Legislative Women's Caucus letter to Governor Brown prioritizing child care with a focus on AP slots.](#)

- [5 April SENATE JOINT HEARING BUDGET AND FISCAL REVIEW SUBCOMMITTEE NO. 1 ON EDUCATION AND SUBCOMMITTEE NO. 3 ON HEALTH AND HUMAN SERVICES](#)
- [4 April ASSEMBLY BUDGET SUBCOMMITTEE NO. 1 ON HEALTH AND HUMAN SERVICES](#)
- [ECE Coalition Budget Ask - \\$1 Billion for Babies](#)
- [19 March LAO Child Care Programs—Analysis of Governor's Hold Harmless Rate Proposal](#) **CAPPA Opposes LAO Recommendation to *Reject Governor's Hold Harmless Extension. CAPPA Supports Governor's Hold Harmless Extension.***
- [March 14 California Budget & Policy Center Child Care & Development Programs in California: Access and Funding Since the Great Recession](#)
- **March 13 ASSEMBLY BUDGET SUBCOMMITTEE NO. 2 ON EDUCATION FINANCE - [AGENDA](#)**
- [January 2018 LAO Child Care and Preschool Budget](#)
- [January 2018 LAO Child Care and Preschool Subsidized Slots](#)
- [January 2018 LAO Changes in Child Care and Preschool Spending](#)
- [January 2018 LAO Child Care and Preschool Funding Rates by Rate System, Setting, and Age](#)
- [California's Fiscal Outlook \(11/15/17\)](#)

2018-19 Governor's January Proposal

- [Assembly Budget Committee Highlights of the Governor's Proposed 2018-19 Budget](#)
- [Senate Committee on Budget & Fiscal Review Summary of the Governor's Proposed 2018-19 Budget](#)
- [Click here to watch Governor Brown Press Conference](#)
- [California State Budget Home Page](#)
 - [2018-19 January Budget Proposal Summary](#)
 - [2018-19 January Budget Proposal Details](#)
 - [Department of Education Details](#)
 - [2018-19 January Five-Year Infrastructure](#)
- Department of Finance (DOF) information on [Funding and Enrollment](#) & [One-Pager overall](#).