



**For Immediate Release**  
June 30, 2020

**Contact:** Oscar Ramirez  
916-263-0666

## **Governor Newsom Signs 2020–21 State Budget**

**SACRAMENTO** – Today, First 5 California Executive Director Camille Maben thanked Governor Newsom and legislative leadership for passing a budget that protects many existing investments in children, families, and care providers during this fiscally devastating time.

The final budget avoids cuts to provider reimbursement rates, holds child care providers harmless who face a decline in revenue for reasons related to COVID-19, provides stipends to providers to address economic challenges during the pandemic, and expands access through the use of federal funds. “By recognizing the essential nature of child care and prioritizing it in this budget, California’s leaders have temporarily prevented the wholesale devastation of our child care field,” said Ms. Maben. “We cannot have a strong economy without a strong child care infrastructure, and this budget is a reflection of that.”

One important component that was not addressed in this budget, however, is early literacy and family engagement supports. “With children across the state home from school, facing an entirely new way of learning in the fall, it is more important than ever that we get books into the hands of kids and families to close the opportunity gap that leads to the devastating achievement gap we see in California,” said Ms. Maben. “By investing in something as simple as books, and engaging our families on the importance of talking, reading, and singing to their children, we can make an impact and change the trajectory of children and their families’ lives.”

“Make no mistake, the Governor and Legislature had to make difficult decisions with this budget,” said First 5 California Commission Chair George Halvorson. “But a small investment in early literacy and additional family supports can provide a huge return on investment for new parents and those with young children, especially those 0 to 3 years of age. We need to move the needle and close the literacy and achievement gaps, which can have lifelong repercussions—or if funded properly—generate lifelong benefits.”

“We recognize how challenging it is to account for an unexpected \$54 billion budget shortfall, and we commend Governor Newsom, Pro Tem Atkins, Speaker Rendon, Senator Mitchell, and Assemblymember Ting for doing so in a fiscally responsible way that still manages to support and protect our most vulnerable families,” said Ms. Maben. “The challenge they had before them was great, but they made difficult decisions, and California’s children will be better off because of it.”

Other highlights to the budget include:

- An additional \$53.3 million in new funding for approximately 5,600 child care slots
- \$73 million in one-time essential worker child care vouchers
- Allowance to roll over \$50 million from COVID-19 emergency funding for essential worker child care vouchers
- \$125 million in CARES Funding stipends for subsidized child care providers
- An \$8 million extension of family fee waivers through the end of the fiscal year
- The preservation of the highly successful Black Infant Health program
- Universal paid family leave job protections to all workers currently eligible
- CalEITC program expansion to filers using the Individual Taxpayer Identification Number with children under age 6 to qualify for EITC and Young Child Tax Credit
- Preservation of Proposition 56-funded supplemental payments until July 1, 2021

“The challenge we face as a state is immense. But every day there is a growing number of families with young children who lack access to quality child care and other essential wraparound services, and these struggles have only been compounded by the current pandemic,” said Ms. Maben. “Should additional state or federal funding become available, it is our hope that the same leadership we applaud today will continue to prioritize our children, families, and early learning and care systems. Our collective future depends on the well-being of our children and families.”

###

#### **ABOUT FIRST 5 CALIFORNIA:**

*First 5 California was established in 1998 when voters passed Proposition 10, which taxes tobacco products to fund services for children ages 0 to 5 and their families. First 5 California programs and resources are designed to educate and support teachers, parents, and caregivers in the critical role they play during a child's first five years – to help California kids receive the best possible start in life and thrive. For more information, please visit [www.cafc.ca.gov](http://www.cafc.ca.gov).*