

# External and Governmental Affairs.

- LEGISLATIVE UPDATE
- STATE BUDGET UPDATE.
- FEDERAL BUDGET UPDATE.

August 22, 2024



# Legislative Update



**As we continue to advocate for policy initiatives that promote the well-being and development of California's youngest residents, it is crucial that our legislative agenda remains firmly aligned with First 5 California's (F5CA) North Star and Audacious Goal statements.**

We supported bills focused on:

- ACEs
- Childcare and Development
- Education
- Healthcare
- Social Services and Welfare
- Infrastructure and Public Services
- Equity and Inclusion
- Regulatory and Legal Matters



# Updates on Bill Positions and Highest Priority Bills



## **AB 1895 (Weber, Wilson): Maternal Health – Maternity Ward Closures**

Public health: maternity ward closures. Requires hospitals to notify state health agencies if they anticipate challenges that may lead to the closure of maternity wards and mandates a community impact assessment before such closures. **Position:** Support. **Current Status:** Senate Committee on Appropriations – Do Pass

## **AB 2319 (Wilson): Maternal Health – California Dignity in Pregnancy and Childbirth Act**

California Dignity in Pregnancy and Childbirth Act. Expands implicit bias training requirements for healthcare providers involved in perinatal care, emphasizing the recognition of intersecting identities and associated biases. **Position:** Support. **Current Status:** Senate Committee on Appropriations – Amend and Do Pass as Amended.

## **SB 1112 (Menjvar): Medi-Cal – Families with subsidized childcare**

Medi-Cal: families with subsidized childcare. Requires Medi-Cal managed care plans and childcare agencies to enter agreements to improve coordination of services for families receiving childcare subsidies, ensuring that children from prenatal to age five who need further services after screening are referred for additional assessment and intervention at no cost to the parents. **Position:** Support. **Current Status:** Assembly Committee on Appropriations – Amend and Do Pass as Amended.

## **AB 1967 (Jackson): Food Insecurity Officer**

Food Insecurity Officer. Creates a Food Insecurity Officer within the State Department of Social Services to coordinate efforts to address food insecurity across state agencies. **Position:** Support. **Current Status:** Senate Committee on Appropriations – Held under submission.

# Paid Family Leave

In January 2025, wage replacement rates for California's Paid Family Leave program will increase to 90% for low- and middle-income earners (SB 951, 2022 – First 5 CA Co-Sponsor).

Taxpayer Deception Act Defeated in the Courts: F5CA signed onto an Amicus Brief outlining potential harm of the Act, including the threat to the scheduled PFL wage replacement increase in 2025.

## **SB 1090 (Durazo):**

Unemployment insurance: disability and paid family leave: claim administration. Provides working families with more timely access to Paid Family Leave and State Disability Insurance benefits by allowing workers to apply for these benefits prior to the start of their leaves. **Position:** Support. **Current Status:** Assembly Committee on Appropriations – Amend and Do Pass as Amended.

## **AB 2123 (Papan):**

Disability compensation: paid family leave. Removes an unnecessary barrier for individuals seeking to access the Paid Family Benefits they pay for, by allowing individuals to take care of their loved ones without having to use up their vacation time. **Position:** Support. **Current Status:** Active, Ordered to Third Reading.

# Budget Update





# Budget Strategy Updates

## Resisting Cuts, maintaining existing funding, and avoiding the "sweep" of funds

- Worked closely with the Administration, Pro Temp, and Speaker
- Letters of Support
- Testifying in support of bills
- Assembly Select Committee Participation: Happiness and Public Policy Outcomes

## Identifying Champions

Assembly Member Wilson, Assembly Member Weber, Assembly Member Bains, Senator Menjivar, and Senator Blakespear

# 2023-24 State Budget

- **Total Spending:** The Budget Act of 2024 allocates \$211.5 billion in General Fund spending, with an additional \$86.4 billion from other state funds and \$153 billion from federal funds.
- **Balanced Budgets:** The budget successfully balances the 2024-25 and 2025-26 budgets, addressing projected deficits of approximately \$45 billion and \$30 billion, respectively.
- **Education Funding:** The May Revision includes an \$8.4 billion withdrawal from the Public School System Stabilization Account to ensure consistent funding for local educational agencies and community colleges.
- **Achieving Fiscal Balance:** The budget implements several tax suspensions and reductions, alongside a complete drawdown of the Safety Net Reserve, to achieve fiscal balance.
- **Health and Human Services:** While some fund sweeps from Health and Human Services programs were approved, the Legislature preserved all or part of the funds for several critical programs.



# 2023-24 State Budget

**Child Care:** The May Revision postponed a \$550 million investment in the California Preschool, Transitional Kindergarten (TK), and Full-Day Facilities Grant Program, leading to a revenue increase of \$489 million in 2024-25 and \$951 million in 2025-26. Additionally, it delayed a \$10 million allocation for the Preschool Inclusion Grant Program.

*The budget now includes the following childcare investments:*

- **Childcare Expansion:** The plan will grow the state-subsidized childcare system to serve over 200,000 additional children.
- **Funding:** It fully funds all 11,000 awarded expansion slots and offsets new ongoing federal funds with a \$48 million General Fund allocation.
- **Restoration of Funds:** Restores \$100 million for the Inclusive Early Education Expansion Program.
- **Preschool Program Eligibility:** Expands eligibility for the California State Preschool Program to include children aged 24 to 35 months, effective until 2027.



# 2023-24 State Budget

## Health and Human Services:

- Includes funding to implement 0-5 continuous Medi-Cal eligibility, effective January 1, 2026.
- Reappropriations \$1 million of expenditure authority from the Mental Health Services Fund, previously authorized in the 2021 Budget Act, until June 30, 2026, to support the Mental Health Wellness Program.
- Requires CDPH to develop a system for online shopping and food delivery for eligible recipients of California Special Supplemental Nutrition Food Program for Woman, Infants and Children (WIC).





# Federal Update





# Adjournment



# Questions?



# Thank you!

