

# **UNFINISHED BUSINESS: First 5 California Budget Planning Discussion**

**July 28, 2022**



# Part 2 Meeting Purpose

**Opportunity for F5CA staff and Commissioners to review new project concepts in order to inform future investments.**

# Timeline for Project Adoption



# 2022-23 Budget Overview

# The 2022-23 State Budget General Fund Budget Summary *(Dollars in Millions)*

## Total Resources Available

FY 2021-22	FY 2022-23
\$265,395	\$242,157

## Expenditures

Type	FY 2021-22	FY 2022-23
Non-Prop 98	\$159,268	\$152,054
Prop 98	\$83,677	\$82,312

## Fund Balance

FY 2021-22	FY 2022-23
\$22,450	\$7,791

## Reserves

Type	FY 2021-22	FY 2022-23
Reserve for Liquidation of Encumbrances	\$4,276	\$4,276
Special Fund for Economic Uncertainties	\$18,174	\$3,514
Safety Net Reserve	\$900	\$900
Budget Stabilization Account/Rainy Day Fund	\$20,320	\$23,288
Public School System Stabilization Account	\$7,290	\$9,514

# Major Budget Actions

**\$78.2 Million**  
**Early Literacy**

- \$68.2 million on a one-time basis to establish the Statewide Imagination Library, a California iteration of Dolly Parton's Imagination Library, under the administration of the State Librarian.
- \$10 million to CDPH and F5CA to provides books for low-income children. Complemented by F5CA's investment of \$18 million.

**\$100 Million**  
**California HOPE**

- Creates trust accounts for children who have lost a parent/primary caregiver to COVID and children in long-term foster care.

**\$290 Million**  
**Behavioral Health**

- Grant support for well-being and mindfulness programs, as well as parent support education programs.
- Grant support for children and youth at increased risk of suicide and a youth suicide crisis response pilot program.
- Establishes a center for researching, evaluating, and applying innovative new technologies to improve youth mental health.

**\$200 Million**  
**Reproductive Health**

- Expands access to reproductive healthcare services, improve clinical infrastructure, and expand the workforce in reproductive healthcare services.

# Major Budget Actions

**\$100 Million**  
Child Care Providers Health & Retirement Benefits

- Provides one-time General Fund to support health and retirement access for providers represented by CCPU.

**\$100.5 Million**  
Child Care Infrastructure

- Federal funds for acquisition, construction, development and renovation of child care facilities.

**\$114 Million**  
Child Care Hold Harmless

- Extends reimbursement of child care providers based on maximum authorized care from July 1, 2022, through June 30, 2023.

**\$236.2 Million**  
Extension of Family Fee Waivers

- Extends family fee waivers for state-subsidized childcare and development services from July 1, 2022, through June 30, 2023.

# Major Budget Actions

**\$17 Million**  
Foster Youth Tax Credit

- Up to \$1,000 per person in foster care placement.

**\$69 Million**  
Young Child Tax Credit

- Expands the definition of qualified taxpayer to include individuals who have a qualified child and would have received the EITC but has earned income of zero dollars or less in the taxable year.

**\$9.5 Billion**  
Better for Families Tax Refund

- Provides payments ranging from \$200 to \$1,050 based on income thresholds to over 17 million families to offset rising prices of food, gas, and commodities, distributed by October 2022.



# Missed Opportunities

**\$1.3 Billion**  
Child Care Stabilization

- The final state budget removed the legislative budget request to increase child care reimbursement rates to the 85<sup>th</sup> percentile of the regional market rate (RMR) and apply COLA to the county RMR for all provider rates.

**\$30 Million**  
Diaper and Wipe Distribution

- The final state budget removed the legislative budget request to support grants to provide diapers and wipes for low-income families with young children.

**Paid Family Leave**

- The final state budget removed the legislative budget request to extend the existing wage replacement rates for the State Disability Insurance and Paid Family Leave programs, which is set to sunset January 1, 2023.

# CalHHS Alignment and Opportunities

# CalHHS Opportunities to Consider

Topic	CalHHS	First 5 California Opportunity to Consider
Behavioral Health	The 2021-22 Budget Act invested \$4.4 billion to reimagine the behavioral health ecosystem and the 2022-23 Budget Act provided \$290 million to implement a multi-pronged approach to address children and youth mental health crisis.	Invest \$50 million to design and implement system changes specific to age 0-5, provide parents and caregivers about awareness and early signs of mental health challenges and connect to services.
Fatherhood	Significant opportunity to engage all fathers, especially those in low-income and minority communities to connect and proactively engage with their children ages 0-5.	Invest \$5 million seed funding to launch a Fatherhood Initiative designed to support fathers, especially those involved in the child welfare and criminal justice systems.
Child Care	California is focused on: 1) promoting and expanding quality programs and services; 2) employing a two-generational strategy of investing in parent so they can invest more in their children; and 3) easing financial pressures on parents.	Invest \$15 million in grants to support provider stipends, tuition reimbursement, and funding of cohort models and apprenticeships.
Data	Manage large quantities of data across health and human services but lack the insights and information from that data to improve programs and services for families and children ages 0-5. The Cradle-to-Career System looks to integrate the siloes of information.	Invest \$3 million to develop a data use case that combines the Strong Start Index with the Health Places Index to disrupt inequities and sharpen focus and investments in disadvantaged communities.

# **Proposed New F5CA Investments, Part 1: Priority Area Projects**

# Key Questions Driving Investments

- **Who will be served?**
- **What will we do?**
- **What are the opportunities to leverage other funding, programs, and initiatives?**
- **How will children be better off?**
- **How does this align to the North Star?**

# Child Development

## Universal Prekindergarten (UPK) Mixed Delivery Research & Evaluation



### Project Summary:

Describe and research statewide system changes for ECE through the lens of UPK efforts

### Total Proposed Allocation:

\$900,000

### Proposed Funding Period:

FY 2023-24 through FY 2026-27



*Note: Investment/project data from Attachment C*

# Child Development

## UPK Mixed Delivery

### Research & Evaluation

Who is the focused population?

UPK eligible children and families

What will we do?

Research and evaluate implementation efforts of UPK within a mixed delivery model



What are opportunities to leverage other funding, programs, and/or resources?

CDE UPK efforts; CDSS rates and quality efforts; QCC over \$1 billion in state investments

How will children be better off?

Lifting up best and promising implementation practices will lead to increased utilization of UPK



# Commissioner Interest & Feedback





# Child Health

## Early Childhood Behavioral Health



### Project Summary:

Address gaps in statewide behavioral health services, prevention, and early intervention to ensure children birth through age 5 and their families receive the services they need.

### Total Proposed Allocation:

\$4 Million

### Proposed Funding Period:

FY 2023-24 through FY 2025-26

*Note: Investment/project data from Attachment C*



# Child Health

## Early Childhood Behavioral Health

Who is the focused population?

Children and families in need of behavioral health support services

What will we do?

Possible:  
Fund innovation projects that promote two-generation approaches



What are opportunities to leverage other funding, programs, and/or resources?

California Children and Youth Behavioral Health Initiative \$4.4 billion; MHSA Investments

How will children be better off?

More children will benefit from behavioral health services and achieve healthy development



# Commissioner Interest & Feedback



# Child Health Predictive Risk Modeling Tool Pilot

## Project Summary:

Expand predictive risk modeling pilot from Los Angeles to additional, diverse counties.



## Total Proposed Allocation:

\$14 Million

## Proposed Funding Period:

FY 2023-24 through FY 2025-26

*Note: Investment/project data from Attachment C*



# Child Health Predictive Risk Modeling Tool Pilot

Who is the focused population?

Children and families involved with the child welfare system

What will we do?

- Provide training
- Engage families
- Pilot tool
- Conduct equity review/evaluation



What are opportunities to leverage other funding, programs, and/or resources?

CDSS, county welfare agencies in 5 – 8 counties

How will children be better off?

Safer children, stronger families. Reduced disruption to family well-being caused by ethnic and income reporting biases.



# Commissioner Interest & Feedback



# **Proposed New F5CA Investments, Part 2: Comprehensive Projects**



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# Newcomer Support

## Project Summary:

Improve systems of support for first-generation immigrant families (including asylum seekers, refugees, others)

## Total Proposed Allocation:

\$10 Million

## Proposed Funding Period:

FY 2023-24 through FY 2025-26

*Note: Investment/project data from Attachment C*





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# Newcomer Support

Who is the focused population?

Immigrants within past 5 years (including asylum-seekers, refugee families, others)

What will we do?

- Promote culturally/linguistically responsive, trauma-informed practices
- Support career development
- Connect families to resources/peers
- Support home language and English competency

What are opportunities to leverage other funding, programs, and/or resources?

CDSS, Office of Refugee Resettlement; DLL Pilot; Refugee Family Funding

How will children be better off?

Reduced trauma; improved child outcomes

# Commissioner Interest & Feedback



# Early Childhood Data Ecosystem Development

## Project Summary:

Plan/support improving and integrating multiple data systems to support whole-child efforts.

## Total Proposed Allocation:

\$2 Million

## Proposed Funding Period:

FY 2023-24 through FY 2026-27

*Note: Investment/project data from Attachment C*



# Early Childhood Data Ecosystem Development

Who is the focused population?

Children 0-5 and their families

What will we do?

- Convene Early Childhood Data Experts
- Work with Sister State Agencies to build the fundamental early childhood data building blocks to support the Cradle to Career Data System

What are opportunities to leverage other funding, programs and/or resources?

\$25 Million in Cradle to Career Data System, state investments in interoperability between agencies

How will children be better off?

Integrated longitudinal data systems support strategic planning across state and local agencies



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# Commissioner Interest & Feedback



# IMPACT LEGACY

## Project Summary:

Quality improvement infrastructure and programmatic investments to support the ELC workforce in providing high-quality experiences for young children

## Total Proposed Allocation:

\$125.8 Million

## Proposed Funding Period:

FY 2023-24 through FY 2026-27

*Note: Investment/project data from Attachment C*



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# IMPACT LEGACY

Who is the focused population?

Non-subsidized ELC settings serving priority children such as multi-language learners and children in poverty

What will we do?

Support the ELC workforce through equitable access to coaching, incentives, and other resources

What are opportunities to leverage other funding, programs, and/or resources?

CDSS & CDE – QRIS block grants and federal dollars

How will children be better off?

Nurturing and enriching environments leading to improved child outcomes



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# IMPACT LEGACY

What are future priorities?

- Systems change through a revision of QCC to eliminate inequities
- Innovation through creation of a badges
- Take current projects on coaching and training from development to implementation
- Enhance and grow data collection
- Embed best practices from the Dual Language Learner Pilot





# Commissioner Interest & Feedback



# Next Steps



- For those projects with consensus approval, F5CA staff will prepare Information and Action Items for approval in FY 2022-23.
- For projects that did not have consensus approval, F5CA staff will work to refine concepts and work with Advisory Committees to refine.

# Public Comment

