



FY 2022-23 State Budget Analysis

In early July, state legislators successfully finalized a “nearly final” budget package with Governor Newsom, although additional budget-related bills are anticipated through the late summer. The items below represent highlights to a budget package, mostly adopted through trailer bills, which include a total of nearly \$235 billion in General Fund (GF) spending for 2022-23. Below are highlights relevant to families with young children and [First 5 Alameda County’s Policy Agenda](#).

Economic Supports

- **One-time payments of up to \$1,050 per family who filed a tax return in 2020.**
- **Increase CalWORKs grant by 11% in 2022-2023; and 10% from Oct 2022 to Sept 2024.**
- Creates the Hope Account Program and provides \$600,000 one-time for trust fund accounts for low-income children who lost caregivers to COVID-19 or who experienced long term foster care.
- Discontinue the policy of intercepting tax refunds for debt payments, with the exception of debt related to child or family support.
- \$20 million for two years, and \$10 million in future years to support community-based efforts to raise tax credit awareness and connect filers with free tax preparation services.

Local policy agenda considerations: Advocates have expressed concern about the one-time nature of investments in family economic security. First 5 Alameda continues to advocate for increased pay rates for the state’s Paid Family Leave and Disability Insurance programs.

Childcare

- \$136 million one-time federal funds to extend family fee waivers for state-subsidized childcare and development through June 30, 2023.
- \$114 million (\$6 million GF, \$108 million federal funds) for DSS to extend reimbursement of child care providers based on maximum authorized care from July 1, 2022 through June 30, 2023.
- \$100.2 million one-time GF to reflect a side letter agreement with Child Care Providers United (CCPU) including start-up funding to support health and retirement access for providers represented by CCPU.
- \$100.5 million one-time federal funds for child care facilities.
- \$35 million ongoing GF to expand the Emergency Child Care Bridge Program.
- \$20 million one-time GF for capacity grants to support Alternative Payment Programs.

Local policy agenda considerations: These investments mostly represent one-time investments back by federal emergency response funding. First 5 Alameda continues to advocate for ongoing investment in a mixed delivery child care system that serves the diverse needs of families with young children.

Health and Mental Health

- **\$10 million in 2022-23 and \$20 million ongoing to support continuous Medi-Cal coverage for children ages zero to five.**
- Postpone discontinuation of the Child Health and Disability Program (CHDP) until FY 2023-24.
- \$1 million one-time funding to provide new infant car seats for low-income parents.
- Reducing premiums for the Optional Targeted Low-Income Children’s Program (OTLICP), 250 Percent Working Disabled Program (WDP), and Children’s Health Insurance Program.



- \$53 million total funds (\$19 million GF) in FY 2022-23 and \$89 million total funds (\$31 million GF) ongoing to reduce premiums to zero for Medi-Cal programs under the Children’s Health Insurance Program and the 250 Percent of Federal Poverty Level Working Disabled Program.
- \$290 million GF (over three years) for behavioral health for children and youth up to 25, including:
 - \$85 million: Wellness and resilience building supports including parent supports and training
 - \$15 million: Videos to provide parents with resources to support their children’s mental health
 - \$25 million: Support for culturally diverse future behavioral health workers.
- \$25 million in funding to support the Adverse Childhood Experience Awareness Campaign and Trauma Informed Training for Educators.
- Over \$200 million in new investments to protect and increase access to reproductive health care services, including funding for abortion training for clinicians and health care professionals, and funding to assist patients in overcoming barriers to abortion care.

Local policy agenda considerations: First 5 Alameda applauds the adoption of continuous Medi-Cal coverage for children ages zero to five. The agency continues to advocate for increased health and mental health funding dedicated to children and families with young children, with an eye toward implementation of the child components of CalAIM in coming years.

Literacy

- \$10 million in one-time GF in 2022-23 for an early childhood literacy program for WIC participants.
- \$68.2 million for the Dolly Parton Imagination Library through the California State Library.

Local policy agenda considerations: First 5 Alameda applauds investments in literacy as part of a whole child, whole family, whole community agenda.

Preschool and Early Learning

- Change Preschool eligibility to: 1) Increase eligibility to 100% of State Median Income; 2) Adopt special education eligibility changes proposed by the Administration, amended to specify that special needs children over the income cap, are prioritized within the existing allowance for children up to 15 percent above the income cap, 10% set-aside delayed to 2024-25; 3) Adopt 24 month eligibility changes.

Local policy agenda considerations: 24-month eligibility has been implemented in Alameda County as a pilot for many years. First 5 Alameda continues to advocate for investments in a mixed delivery child care system that serves the diverse needs of families with young children.

Housing and Homelessness

- \$150 million one-time increased investment in Project Homekey in 2022-23.
- \$1 billion investment in flexible local funding to address homelessness in 2023-24.
- \$1 billion in 2022-23 and \$500 million in 2023-24 for bridge housing for people experiencing homelessness with serious mental illness.
- \$350 one-time over two years to assist first-time homebuyers with moderate and low incomes.

Local policy agenda considerations: First 5 Alameda applauds the recent investment in housing and homelessness and continues to advocate for funding dedicated to young children and their families.