EARLY CHILDHOOD EDUCATION BUDGET PROPOSALS

JUNE 2, 2016

OFFICE OF GOVERNMENT RELATIONS
Early Education Block Grant

- Beginning in 2017-18, collapses the California State Preschool Program (CSPP) and Transitional Kindergarten (TK) into a Block Grant that would provide one year of subsidized pre-kindergarten education for low-income and at-risk four-year-old children.
- Eliminates TK as of July 1, 2017.
- Requires county offices of education and school districts to create early learning plans with goals to increase access and align activities with priorities.
Early Education Block Grant

- Maintains current levels of funding for school districts for three years
- Schools would not lose more than five percent of funding per year after the hold harmless expires and a decrease could only occur if there was a reduction in school district average daily attendance
- Future state spending investments would be allocated based on unmet need with a per-pupil funding amount of $6,200 per year, adjusted for COLA.
$619 million Early Education Plan ($405 million in General Fund, $214 million in Prop 98)

The Plan includes:

- **Rates**: Increases the Standard Reimbursement Rate (SRR) by 15 percent, the Regional Market Rate (RMR) to the 80th percent of the 2014 survey, and License Exempt rates to 80 percent of current Family Child Care Home Rate.

- **Eligibility**: Allows for 12 month family eligibility and increases income eligibility to 85 percent of the current State Median Income (SMI)
**Assembly Proposal**

- **Access:** Adds 10,000 new preschool slots (7,500 part day and 2,500 full day) and 6,000 Alternative Payment Program slots.

- **Future Planning:** Establishes a Blue Ribbon Commission on Early Care and Education to improve services for children 0-3, and to develop options for establishing Universal Pre-K for all 4 year olds. Also proposes $317,000 in one-time federal dollars for a statewide plan to provide one year of pre-k for all 4 year olds.
Senate Proposal

- $99 million Early Education Plan ($64 million General Fund and $35 million Prop. 98)
- Increases the RMR to the 75th percentile of the 2014 survey
- Increases the SRR by 4 percent
- Adds 2,000 Alternative Payment Program slots
Next Steps

- Assembly and Senate Budget Subcommittees on Education both voted to reject the EEBG proposal
- The Legislative Women’s Caucus has asked for an $800 million investment in child care
- Conference Committee will begin meeting this week
- The Legislature must pass a budget bill by midnight of June 15