

GOVERNOR GAVIN NEWSOM’S REVISED BUDGET PROPOSAL 2021-2022

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INTRODUCTION

On May 14th, 2021 Governor Gavin Newsom presented his May Revision to the Proposed Budget for 2021-2022. This document builds off the summary of the January Proposed Budget and summarizes key investments and additions that reflect PI’s three policy areas:

1. Promoting Safety, Wellbeing, and Healing from Trauma and Systemic Violence
2. Healthy, Equitable Community Environments
3. Fostering a More Prevention-Oriented Health System

In addition to identifying key changes in the May Revision, we also reference proposals in the Legislature’s June 1st [Budget Report](#) to foreground final budget negotiations between Governor Newsom and the Legislature in the lead up to the June 15th budget approval deadline. The summary also contextualizes California’s plan to facilitate an ambitious economic recovery plan within the state’s sizeable budget surplus and supports provided by Federal legislation.

OVERVIEW

The May Revision opens with the Governor’s [California Comeback Plan](#), a \$100 billion dollar economic stimulus package that purports to be “the biggest economic recovery package in California history.”

The California Comeback Plan has 5 priorities:

- Providing immediate relief for those hit hardest by the COVID-19 pandemic
- Confronting the homelessness and housing affordability crisis
- Transforming public schools into gateways for opportunity
- Building infrastructure for the next century
- Combating wildfires and tackling climate change

To address the health and economic impacts of COVID-19, the federal government enacted multiple federal stimulus bills. Together, these funds are helping pay for emergency response, testing and contact tracing, health care, and vaccinations. These funds are also directly supporting the unemployed and K-12 schools. Combined with direct payments and other assistance to individuals and families, hospitals and medical providers, businesses, higher education institutions and college students, local housing authorities, airports, farmers, and local government, California will benefit from over \$600 billion provided through federal aid.

The economic outlook for California is far more positive than it was in January 2021 when Governor Newsom released the January Budget Proposal. With a budget surplus of \$75.7 billion and \$27 billion in flexible state funds via the federal American Rescue Plan Act (ARPA), the May Revised Budget proposes a broad set of proposals to facilitate economic recovery from the pandemic.

GOVERNOR NEWSOM’S PLAN FOR AN EQUITABLE AND BROADBASED RECOVERY

The May Revision begins with the Governor’s overview of an array of investments for infrastructure development, small business aid, and notably, actions to put money directly into the pockets of undocumented Californians – all aimed at facilitating and equitable and broad-based recovery.

- **Coronavirus State and Local Recovery Funds**
 - ARPA appropriates \$350 billion to states, local governments, and tribal governments and territories to mitigate the fiscal effects stemming from the COVID-19 public health emergency. The Act specifies that funds may be used to respond to the public health emergency or its negative economic impacts and to make necessary investments in water, sewer, or broadband infrastructure.
 - **State:** \$27 billion
 - **Counties:** \$7.7 billion for 58 counties
 - **Metropolitan Cities:** \$7 billion for 191 cities with populations over 50,000
 - **Smaller Cities:** \$1.2 billion for 291 cities with populations below 50,000. These funds will pass-through the state.

- **Tribes:** \$190 million based on minimum amount of about \$1.7 million for each of California’s 109 tribes
 - **Address Public Health Impacts (\$4.9 billion)**— Includes support for state and local emergency response to COVID-19 and the state’s public health infrastructure that has been strained by efforts to respond to COVID-19 including public hospitals, health systems, and residential care facilities. These funds will also address the emotional and behavioral health impacts on California’s children and youth stemming from quarantine requirements and distance learning.
 - **Address Negative Economic Impacts (\$13.7 billion)**— Funds will support special district utilities to help households pay for water and utility arrearages, address housing shortages and homelessness exacerbated by the pandemic, and provide grants to small businesses as well as economic support for the tourism industry and ports. Targeted investments are also made to stimulate jobs—including investments in work-study, reduce barriers to accessing higher education, and address equity gaps among low-income children and families, including homeless youth and children in foster care.
 - **Water, Sewer, and Broadband Investments (\$7.3 billion)**— Addresses deferred maintenance on water infrastructure, and water and sewer infrastructure for housing. Promotes access to and affordability of broadband.
 - **Unemployment Insurance Trust Fund (\$1.1 billion)**— The May Revision proposes that these funds be used to replenish the state's unemployment insurance trust fund, which is projected to have a deficit of more than \$24.3 billion at the end of 2021. More broadly, any unobligated funds as of June 30, 2024, will also be used to further reduce the total funds borrowed from the federal unemployment insurance trust fund.
- **Broadband Infrastructure**
 - **Broadband Access**— Governor Newsom proposes a \$7 billion investment plan to improve equitable statewide access to high-speed broadband internet service.
 - The May Revision proposes to expand broadband infrastructure by utilizing a combination of federal ARPA funds and state funds to build out a critical statewide “middle-mile” network.
 - \$500 million for a Loan Loss Reserve Account to assist local governments, tribes and non-profits to secure private financing for new municipal fiber networks. These last-mile networks require large upfront investments but the return to customers, communities, and California is significant.
- **Immediate Action to Support Californians**
 - **Golden State Stimulus II (GSS II)**— Golden State Stimulus II (GSS II) expands the Golden State Stimulus program established through the immediate budget action. The stimulus is targeted to low- and moderate-income households; specifically, the GSS II program will provide stimulus payments to three groups:
 - **Low to Middle Income**— \$600 one-time stimulus payments to all taxpayers filing a 2020 tax year return with adjusted gross income of \$75,000 or less who did not already receive a Golden State Stimulus. This component is expected to cost about \$5.6 billion and assist about 9.4 million tax filers.
 - **Families**— \$500 one-time stimulus payments to all taxpayers with adjusted gross income of \$75,000 or less with a dependent on the return. This

component is expected to cost \$2.2 billion and assist 4.3 million tax filers. (Some of these families will receive \$1,100 if they also qualify for the low- to middle-income stimulus above).

- **Undocumented Families**— \$500 one-time stimulus payments to all ITIN taxpayers with adjusted gross income of \$75,000 or less and a dependent. This component is expected to cost \$260 million and assist 520,000 tax filers. (These families are eligible for both family credits so will receive \$1,000).

PROMOTING SAFETY, WELLBEING, AND HEALING FROM TRAUMA AND SYSTEMIC VIOLENCE

- **Strengthening Economic Supports to Families**

- **Universal Basic Income Pilot**—The May Revision includes \$35 million General Fund over five years for Universal Basic Income pilot programs. These pilot programs would be city or county administered, require a local-match commitment, and shall target low-income Californians.
- **Childcare**— Effective July 1, 2021 childcare and nutrition programs will shift from the Department of Education to the Department of Social Services. The Administration proposes adding 100,000 subsidized childcare slots, with updated Proposition 64 cannabis tax revenues providing an additional \$83 million for childcare slots in 2021-22 and ongoing. Additional investments to strengthen the childcare system include:
 - **Infrastructure Facilities**— \$250 million one-time ARPA funds to provide infrastructure grants for the acquisition, construction, development, and renovation of child care facilities focusing on desert areas to be spent through September 30, 2024.
 - **Child Care Resource and Referral Programs**— \$10 million ARPA funds to support continued Resource and Referral partnerships to strengthen their role serving as intermediaries to develop new childcare facilities and capacity, and to streamline and improve data collection processes.
 - **Quality Improvement for Childcare**— \$20 million for a multi-year effort to strengthen existing quality improvement supports and systems. California Department of Social Services (CDSS) will engage with stakeholders to inform policy-setting and program design with a focus on addressing inequities.

The Legislature’s Proposals for Child Care Expansions— The Legislature proposes building in \$1.1 billion annually to increase rates for childcare providers. The Legislature also calls for 200,000 additional childcare slots, compared to Governor Newsom’s proposed 100,000.

- **Incentivize and Support Equity-Oriented Economic Development**

- **Main Street Small Business Tax Credit**—Builds upon the Main Street hiring credit created by Chapter 41, Statutes of 2020 (SB 1447) which allocated \$147 million to create a new Main Street hiring credit to aid small businesses that have hired and retained workers since the explosion of unemployment in the second quarter of 2020.

- **Youth Workforce Development-** The May Revision includes \$200 million federal ARPA funds for grants to cities and counties to create or expand youth employment opportunities. The funding, which will be administered by California Volunteers, will be provided both directly to large cities on a per capita basis, and to other cities and counties through a competitive grant process. This funding is to help youth gain valuable work experience by increasing employment opportunities, such as part-time work or summer jobs.
 - **Small Business Grants and Cultural Institutions—** The May Revision proposes \$1.5 billion federal ARPA funds for three additional rounds of grants to provide relief to more small businesses. \$2.5 billion had previously been allocated to provide immediate relief to small businesses affected by the pandemic. This funding supported six rounds of grants to small businesses, including a special round for nonprofit cultural institutions.
 - **IBank’s Small Business Finance Center and the California Rebuilding Fund—**Provides financial assistance to small businesses through IBank’s programs including the California Rebuilding Fund, with a focus on programs that benefit underserved businesses in California. IBank’s Small Business Loan Guarantee Program provides loans as businesses recover from the economic impacts of COVID-19.
 - **The California Dream Fund—**Supports micro-grants of up to \$10,000 to seed entrepreneurship and small business creation in underserved small business groups that are facing opportunity gaps, including immigrant Californians and Californians that speak limited English. The May Revision shifts the funding proposed for these microgrants from 2020-21 to 2021-22.
- **Promoting Systems and Norms That Protect Against Violence and Adversity**
 - **Treatment and Prevention of Adverse Childhood Experiences (ACEs)—** \$12.4 million one-time General Fund for seven demonstration projects focused on advancing research on, and building scalable approaches to treating and preventing Adverse Childhood Experiences (ACEs). Investments will be used to strengthen workforce training efforts, build a statewide stress surveillance network, and broaden the network of clinicians and providers that are equipped to treat and prevent toxic stress resulting from ACEs.
 - **Office of the Surgeon General and ACEs Aware Initiative—** As a part of a \$1 billion investment in 2021-22 into the Children and Youth Behavioral Health Initiative, the Office of the Surgeon General will conduct a public awareness campaign on ACEs and toxic stress and develop a curriculum of trauma-informed training specific to the education sector.
 - **Office of Youth and Community Restoration—**\$7.6 million General Fund in 2021-22 and \$7.2 million ongoing General Fund for 33 positions to staff the Office of Youth and Community Restoration and perform the core functions laid out in SB 823, including: (1) review of county’s juvenile justice plans, (2) reporting on youth outcomes and identifying best practices, (3) providing technical assistance to counties, and (4) performing the ombudsperson duties. Governor Newsom’s proposal is short of the \$30 million advocates are calling for to fund this new office.
 - This proposal is an increase from the \$3.4 million General Fund in 2021-22 and \$3.1 million ongoing provided in the January Proposed Budget.

- **Rapid Response Efforts**— \$105.2 million one-time General Fund for the Rapid Response Fund to provide support for migrant family arrivals at the Southern California border and additional funding for other emergency responses, including wildfires and drought.
- **Unaccompanied Undocumented Minors**— \$20 million General Fund and \$5 million Proposition 98 General Fund in 2021-22 to provide additional support for unaccompanied undocumented minors (UUM) through Opportunities for Youth pilot project, the UUM legal services (\$14 million General Fund), state operations (\$1.3 million General Fund) and the California Newcomer Education and Well-Being Project (\$5 million Proposition 98 General Fund) will be available through 2022-23.

Food for All— The Legislature’s budget proposal provides \$550 million in ongoing support to provide state-funded nutrition benefits to those ineligible for CalFresh or the California Food Assistance Program solely due to immigration status.

- **Statewide Initiative to Reduce Pretrial Detention**— \$140 million General Fund in 2021-22 and \$70 million ongoing to expand a pretrial pilot program funded with one-time resources in the 2019 Budget Act. Specifically, this funding will provide all 58 courts and county supervision agencies with the resources necessary to support judicial officers in making pretrial release decisions that impose the least restrictive conditions while maintaining public safety and assisting individuals in returning to court, and implementing appropriate monitoring practices and the provision of services for released individuals.
- **Police Use of Force Investigations**— The Governor’s Budget includes \$13 million General Fund in 2021-22, increasing to \$13.5 million ongoing, to establish three teams, one in each of the northern, central, and southern regions of California, to conduct these investigations across the state. The May Revision includes an additional \$2.3 million General Fund in 2021-22 and \$2.1 million ongoing beginning in 2022-23 to provide supportive services to survivors of those killed in officer-involved shootings investigated by DOJ pursuant to AB 1506, and adds one additional investigative team in the southern region, bringing the total to four.

Violence Prevention and Victim Services— The Legislature approved a budget deal which includes \$15 million for domestic and sexual violence prevention and \$100 million in one-time funding for victim services to backfill looming federal cuts to victim services programs.

- **Ensuring Equity for Children**

- **Universal Transitional Kindergarten**— To provide access to free, high-quality pre-kindergarten education for all children, the May Revision proposes a series of investments beginning in 2022-23 to incrementally establish universal transitional kindergarten, creating a "14th grade" of public education by 2024-25. The costs of this plan are anticipated to be approximately \$900 million General Fund in 2022-23, growing to \$2.7 billion in 2024.
 - Additionally, the May Revision repurposes \$250 million one-time Proposition 98 General Fund proposed in the Governor's Budget to incentivize transitional

kindergarten expansion to instead be used for planning and implementation grants for all local educational agencies.

- Universal transitional kindergarten would be phased-in over four years, with local educational agencies able to use 2021-22 for planning and infrastructure development, and additional access for four-year-old's, increased in increments of three months of age per year from 2022-23 through 2024-25, when all four-year-old's would be eligible.

Delayed Phase-in of Transitional Kindergarten— The Legislature proposes slowing down implementation of transitional kindergarten by one year, pushing full implementation to 2025-26.

- **California Child Savings Account Program**— In an effort to make college more affordable for the 3.8 million low-income children in public schools today, the May Revision invests \$2 billion to create a California Child Savings Accounts program. Seeded with \$500 per account, the value of deposits will grow over time, providing a direct path to affording postsecondary education and helping address equity gaps. New accounts will be created for each subsequent income class of low-income first graders.

Reduction to Child Savings Account Proposal— The Legislature's budget would halve the funding for the Governor's proposed California Child Savings Accounts program, reducing it to \$1 billion.

- **Building on Existing Transitional Kindergarten Program**— \$380 million Proposition 98 General Fund in 2022-23, growing to \$740 million in 2024-25 to reduce adult-to-child ratios from 1:24 to 1:12.
- **Community Schools Program**— The May Revision builds upon the \$264.9 million proposed in the Governor's January Budget proposal to provide \$3 billion one-time Proposition 98 General Fund, available over several years, to further expand the implementation and use of the community school model.
- **Strengthening the Behavioral Health System**— \$1 billion from ARPA's Coronavirus State Fiscal Recovery Fund in 2021-22, \$1.7 billion in 2022-23, and \$431 million (\$300 million General Fund) ongoing for the Children and Youth Behavioral Health Initiative.
- **Creative Youth Development Grant Programs**— \$40 million one-time General Fund in 2021-22, to be spent over three years, to support the Arts Council's existing Creative Youth Development programs. The Arts Council will use partnerships between community-based organizations, educators, and local artists to expand participation in these programs statewide.

HEALTHY, EQUITABLE COMMUNITY ENVIRONMENTS

- **Fostering Access to Equitable Housing**
 - **COVID-19 Rent Relief Program**— With the passage of the COVID-19 Tenant Relief Act (SB 91) in January 2021 and Federal Rental Assistance enacted under ARPA, the state has a total of \$5.2 billion in federal rental relief aid. The Governor has committed to

offering aid to cover 100 percent of rents owed by tenants whose incomes have been impacted by the pandemic. And based on Federal guidance, the state will have to offer rental assistance directly to tenants. Currently, SB 91 offers landlords the option to receive 80 percent of rents owed by a tenant in exchange for forgiving the remaining 20 percent. The current program allows landlords to opt out of this program.

- **Rental Assistance Program**— \$20 million in federal ARPA Coronavirus State Fiscal Recovery Funds for the next three years (\$60 million total) to the Judicial Council to continue providing legal assistance grants to over 100 legal service and self-help organizations.
- **Initiatives to End Homelessness**— The following May Revision concepts add to the \$2.1 billion in investments proposed in the Governor’s Budget, for a total 2021-22 homelessness package of \$6.8 billion.
 - **Project Roomkey**— \$150 million one-time General Fund to support transitioning participants into permanent housing.
 - **Homekey Family Housing**— \$2.75 billion one-time funds over two years for the additional acquisition and rehabilitation of facilities through the Homekey program. Of this amount, \$1 billion is targeted for families experiencing homelessness or at risk for being homeless.
 - **Bringing Families Home Program**— \$280 million General Fund in both 2021-22 and 2022-23 to expand the existing Bringing Families Home program. This program provides housing-related supports to eligible families experiencing homelessness in the child welfare system.
 - **Non-Congregate Shelter Transition to Permanent Housing**— \$150 million one-time General Fund to support the stability of the state’s FEMA-funded non-congregate shelter population and transition of individuals from Project Roomkey into permanent housing following the September 2021 sunset of the federal reimbursement availability from the pandemic.
 - **Community Care Expansion**— An additional \$250 million one-time federal Coronavirus Fiscal Recovery Fund (CFRF), for a total of \$500 million, to the Department of Social Services for competitive grants to qualified county and tribal entities for the acquisition and rehabilitation of adult and senior care facilities for those who are homeless or at-risk of becoming homelessness and have higher level of care needs.
 - **Challenge Grants & Technical Assistance**— \$40 million one-time General Fund available over 5 years, for the Homeless Coordinating Financing Council to provide grants and technical assistance to local jurisdictions to develop action plans that will address family homelessness.
- **Affordable Housing Production**— \$1.75 billion one-time federal ARPA funds to help support HCD affordable housing projects. This will help more than 6,300 units of shovel-ready affordable housing move forward quickly.
- **Alternative Housing and Infill Development**— \$500 million one-time federal ARPA funds for the Department of Housing and Community Development to provide additional planning and implementation grants to regional entities for infill developments, targeted towards the state’s climate goals and reducing vehicle miles traveled.

- **Housing and Disability Advocacy Program**— \$175 million General fund annually through 2023-24 to assist disabled individuals who are experiencing homelessness.
- **Expanding Transit and Active Transportation**
 - **Transportation Infrastructure Package**— Governor Newsom proposes \$11 billion in transportation systems investments to position California for anticipated federal funding from President Biden’s American Jobs Plan. This funding will “provide a once-in-a-generation investment in broad infrastructure improvements.”
 - **Development Priority Transit and Rail Projects**— \$1 billion General Fund for transit and rail projects statewide that improve rail and transit connectivity between state and regional/local services.
 - **Active Transportation**— \$500 million General Fund to advance projects that increase the proportion of trips accomplished by walking and biking, increase the safety and mobility of non-motorized users, advance efforts of regional agencies to achieve greenhouse gas reduction goals, enhance public health, and benefit many types of users, especially in disadvantaged communities.
 - **High-Speed Rail**— \$4.2 billion Proposition 1A to complete high-speed rail construction in the Central Valley, advance work to launch service between Merced and Bakersfield, advance planning and project design for the entire project, and leverage potential federal funds.
 - **Zero-Emission Rail and Transit Equipment Purchases and Infrastructure**— \$407 million (\$100 million General Fund, \$280 million Public Transportation Account, and \$27 million federal funds) to demonstrate and purchase or lease state-of-the-art, clean bus and rail equipment and infrastructure that eliminate fossil fuel emissions and increase intercity rail and intercity bus frequencies.
 - **Zero-Emission Buses and Trucks**— \$1.4 billion (\$1.3 billion General Fund, \$87 million Air Pollution Control Fund) to demonstrate and purchase or lease green buses and trucks. These funds are budgeted outside of the transportation budget and are included and described in the Climate Resilience Chapter.
- **Increasing Park Acreage and Access to Open Spaces**
 - **Overall Investments**— Building on \$82 million proposed in the Governor’s Budget, the May Revision proposes an additional \$256.2 million to expand outdoor access to all Californians.
 - **Youth Access to Natural and Cultural Resources**— \$12.7 million ongoing Cannabis Tax Fund to the Natural Resources Agency for the Youth Community Access Grant Program, which funds projects and programs that support youth access to natural and cultural resources with a focus on low-income and disadvantaged communities. Programs include community education and recreational amenities to support youth substance use prevention and early intervention efforts.
 - **Outdoor Education**— \$108.1 million for outdoor environmental education and access programming through the Outdoor Equity Grants Program and expansion of existing K-12 programs. These programs will support outdoor environmental education for underserved youth statewide, development of new curriculum, and construction of new state parks' facilities that support environmental education programs.

- **Statewide Park Development and Community Revitalization Program**— \$125 million one-time General Fund to invest in establishing and revitalizing community open spaces. These grants fund new parks, the beautification of existing parks, and recreation opportunities in underserved communities across the state. This funding complements the \$200 million available over two years for the Urban Greening Program.
- **Explore the Coast Grant Program**— \$14 million one-time General Fund for the Coastal Conservancy to expand coastal access programming statewide.
- **Innovative Pilot Programs**— \$9.1 million one-time General Fund to launch a State Parks pilot to expand parks pass distribution, especially for youth in disadvantaged communities. The pilot would include a “California State Park Adventure” program for fourth graders and new statewide partnerships with the California State Library and California Department of Social Services.
- **Addressing Climate Change through Environmental Justice**
 - **Climate Resilience**— The May Revision proposes to further advance the Governor’s goal of building a climate resilient California with an additional investment of \$1.3 billion General Fund over multiple years (\$784 million in 2021-22) in projects and programs to support communities that are facing the impacts of climate change today and advancing efforts to conserve 30 percent of our lands and coastal waters by 2030.
 - **Community Resilience to Climate Change**— \$495 million General Fund over three years to provide investments that align economic resilience with the State’s climate goals, empower vulnerable communities, and support the leadership capacity of key regional and local stakeholders.
 - This includes funding to support the Strategic Growth Council’s Transformative Climate Communities Program, which funds place-based, catalytic projects that serve as a model for equitable, community-driven infrastructure investments in the most disadvantaged communities of California.
 - Additionally, funding is proposed to support the Regional Climate Collaboratives program, Environmental Justice Initiative, and Climate Adaptation and Resilience Planning Grants, which support local and community participation in and development and implementation of resilience plans and associated projects.
 - **Zero Emission Vehicle and Infrastructure Manufacturing**— \$250 million General Fund one-time over two years for manufacturing and supply chain grants to expand California’s nation leading ZEV manufacturing footprint, administered by the Clean Transportation Program. This investment may be coupled with High Road Training Partnerships to increase access to high-quality jobs for workers and increase the level of highly-skilled employees for employers.
 - **California Clean Energy Goals**— \$912 million to accelerate California’s progress on meeting its clean energy goals and better position California as a leader in advancing clean technologies and as a leading partner with the federal administration in tackling climate change and stimulating the economy.
 - **Contaminated Site Clean-Up**— \$200 million over two years beginning in 2022-23. Combined with \$300 million in the Governor’s Budget, this proposal will provide a total of \$500 million General Fund over multiple years to accelerate the cleanup of

contaminated properties in impacted communities. This investment will be allocated throughout California, using a risk-based approach founded on health-based criteria.

FOSTERING A MORE PREVENTION-ORIENTED HEALTH SYSTEM

- **Systematizing Health Equity and Healthcare Affordability**

- **Medi-Cal Coverage to Undocumented Older Adults**— \$69 million in 2021-22 and \$1 billion ongoing to expand Medi-Cal, including In-Home Supportive Services, to undocumented adults aged 60 and older effective no sooner than May 1, 2022.

Medi-Cal Expansion for Undocumented Adults Age 50+— In their budget report, the Legislature calls for Medi-Cal coverage to expand to undocumented adults starting at age 50.

Eliminating the Medi-Cal Assets Test— The Legislature approved \$105.7 million General Fund annually beginning in 2022-23 and a placeholder trailer bill to eliminate the assets test in Medi-Cal, ensuring seniors, and individuals with disabilities, with assets of more than \$2,000, do not lose, or are not denied, Medi-Cal coverage.

- **COVID-19 Response Costs**— \$1.08 billion for COVID-19 response costs. These funds will support testing and laboratory operations, vaccination, medical surge capacity, contact tracing management, and other state operations needs.
- **Population Health Management Service for Medi-Cal**— One-time \$315 million to provide population health management services that would centralize administrative and clinical data from the Department of Health and Human Services, health plans, and providers. Access to this information would allow all parties to better identify and stratify member risks and inform quality and value delivery across the continuum of care while implementing CalAIM. The service will also facilitate the connection between important health data and critical social service data for a given beneficiary.
- **Prop 64 Tax Revenue for Department of Health Care Services**— \$266 million for Department of Health Care Services Youth Education, Prevention, Early Intervention and Treatment Account.
- **Community Health Workers**— \$16.3 million, increasing to \$201 million by 2026-27, to add community health workers to the class of health workers who can provide benefits and services to Medi-Cal beneficiaries, effective January 1, 2022.
- **Five-Year Medi-Cal Eligibility Extension for Postpartum Individuals**— ARPA allows states to receive federal funding if they extend Medi-Cal eligibility from 60 days to 12 months for most postpartum individuals, effective April 1, 2022 for up to five years. The May Revision includes \$90.5 million in 2021-22 and \$362.2 million annually between 2022-23 and 2027-28 to implement the extension.
- **Pandemic Response Review**— \$3 million for an assessment of the state’s public health and emergency response to the pandemic.

- **Language Access**— \$21 million over two years to improve education and outreach in communities requiring multilingual access to Employment Development Department services and programs by:
 - Dedicating resources to translation services to create a multilingual access portal to EDD’s website and to translate forms and notices.
 - Establishing a multilingual access unit and expanding existing interpretive services.
 - Providing grants to community-based organizations for outreach and education to Limited English Proficient communities.

Health Equity and Racial Justice Fund— The Legislature proposes investing \$115 million annually in community-based health equity and racial justice efforts, and \$63.1 million one-time for the California Reducing Disparities Project.

Public Health Infrastructure— Addressing a noticeable void in public health investments in the Governor’s May Revision, the Legislature proposes bolstering the public health system with \$200 million annually for Local Health Jurisdictions, \$40 million annually for state public health functions, \$35 million annually for public health workforce development, and \$13 million ongoing for the prevention of HIV/AIDS, hepatitis and sexually transmitted infections.

Key Sources

Governor's Full Revised Summary: <http://www.ebudget.ca.gov/budget/2021-22MR/#/BudgetSummary>

Assembly Subcommittee Report on the 2021-22 Budget, includes the Legislature's Version of the 2021-22 State Budget:

<https://abgt.assembly.ca.gov/sites/abgt.assembly.ca.gov/files/Subcommittee%20Report%20of%20the%202021-22%20Budget%20%28June%201%2C%202021%29.pdf>