

Quick Overview

Governor proposes to spend \$113.3 billion dollars

This is a 1.4% increase from 2014-15

- Prop 2 Rainy Day Fund and Debt Repayment: \$2.4 Billion
- Health and Human Services: \$31.9 billion (4.7% increase)
- Corrections and Rehabilitation: \$10.2 billion (1.7% increase)
- Higher Education: \$14.1 billion (8.6% increase)
- K-12: \$47.2 billion (1.7% increase)



Proposition 2: Budget Stabilization Account

California voters approved Proposition 2 in November 2014, amending the California Constitution to revise the rules for the state's Rainy Day Fund.

Proposition 2 requires an annual set-aside equal to 1.5% of estimated General Fund revenues and an additional set-aside is required when capital gains revenues in a given year exceed 8% of General Fund tax revenues.

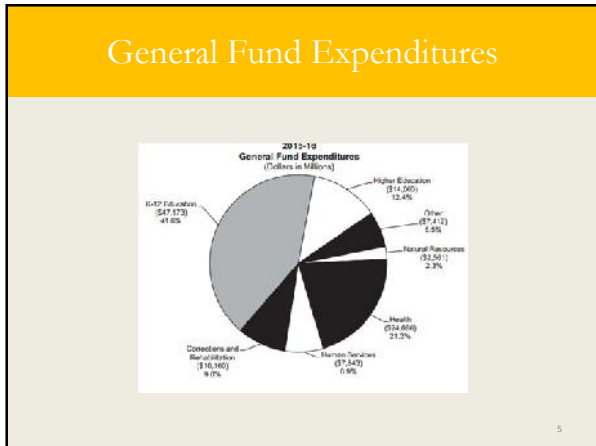
Rainy Day Fund and Debt Repayment: \$2.4 Billion

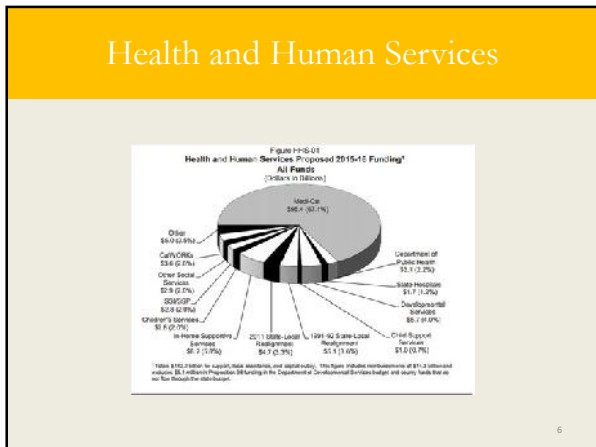
Proposition 2: Budget Stabilization Account

For 15 years – from 2015-16 to 2029-30 – half of these funds will be deposited into the rainy day fund, and the other half will be used to reduce certain state debt including:

- Making payments that are owed to K-12 schools and community colleges;
- Repaying dollars that were borrowed – prior to 2014 – from various state special funds and used to pay for services typically supported with General Fund dollars;
- Reimbursing local governments for state-mandated services that they provided prior to 2004-05, but for which the state has not yet provided payment;
- Reducing unfunded liabilities associated with state-level pension plans; and
- Prefunding other retirement benefits, such as retiree health care

http://www.ctbp.org/pdf/2015/150112_FirstLook_Governors_Budget_Proposal.pdf





Health and Human Services

CalWORKs:

- No NEW increases in CalWORKs grants.
- On April 1, 2015 Grants will increase 5% as determined by last year's budget.
- Maximum monthly grant for a family of three is only \$704. This is less than half of the federal poverty level.

Child care:

- Provides a Cost of Living Adjustment to maintain childcare services and "slots" at same level as 2014-15

Health and Human Services

In-Home Support Services:

- Proposal to end 2014's 7% cut on service hours. Pending approval by the Legislature of a new tax on managed care organizations.
- New rules and funding for IHSS providers overtime pay from 2014 are being delayed.
- Federal Rules from 2013 that mandated overtime pay for home care workers, including IHSS providers were recently put on hold by a federal court.

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Health and Human Services

Supplemental Security Income/State Supplementary Payment (SSI/SSP)

Provides income support to 1.3 million low-income seniors and people with disabilities to purchase food, housing, and other basic necessities.

- No changes to SSP grant levels.
- Grants for SSI/SSP have been below the Federal Poverty Line since 2009
- The state's monthly SSP grant for individuals would remain at \$156, down from \$233 in January 2009.
- Cost of Living Adjustments were suspended in 2010
- State funding for SSI/SSP cash assistance has fallen by more than 30 percent since 2007-08, after adjusting for inflation.

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Health and Human Services

Medi-Cal:

- Medi-Cal enrollment is projected to rise to 12.2 million Californians in 2015-16
- Maintains a 10% payment cut to Medi-Cal providers that began in 2014
- \$698 million will be shifted from county health care services to the state in 2015-16, as required by current law.
- Undocumented immigrants who benefit from President Obama's recent actions on immigration **may be eligible** for state-funded Medi-Cal.

***Health4All**

- SB 4: would allow people who are undocumented to access programs like Medi-Cal and the Healthcare Marketplace with Subsidies.

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