

HOPE Response to the Governor's 2023-24 State Budget California

Budget summaries prepared by Strategic Education Services



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OVERVIEW: A Latina Perspective

Over the past 20 years, HOPE has offered a Latina perspective on the Governor’s California State Budget from the viewpoint of how the budget impacts Latinas’ educational attainment, ensures our pathways to economic prosperity, and protects our health.

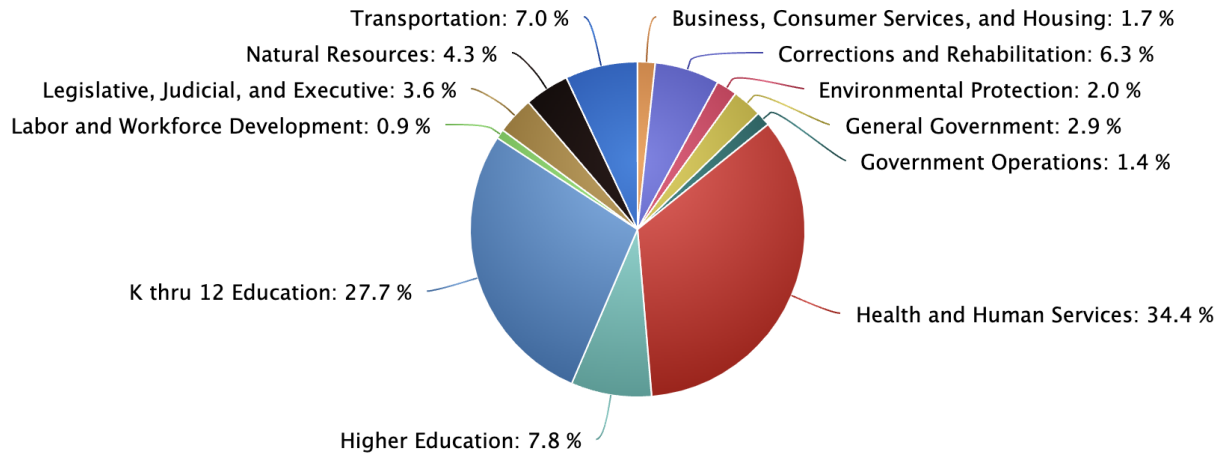
Latinas are nearly [20% of the population](#) of California, representing the largest share (39%) of California women. In their role as mothers, Latinas are raising more than half of the children in the state. Sixty-eight percent of Latinas also participate in the labor force. In many ways, how Latinas fare helps determine the future of the state, both in terms of their own well-being and the prospects for California's next generation.

Yet Latinas face some of the largest inequities in economic, educational, and health outcomes in our state. Latinas in the Golden State earned only 45 cents for every dollar earned by a White man in 2021, the [largest wage gap in the nation](#). The poverty rate for Latinas in California was 16.5% in 2021, nearly double that of White women at 8.5%. In California, 17.5% of all Latinas over the age of 25 had at least a bachelor’s degree in 2021 (up from 12.9% in 2015) compared to 44.3% of White women. The cumulative death rate for Latinos from COVID-19 in the state is 11% higher than the rate for all Californians as of November 2022.

With the looming economic downturn, advocates are needed to ensure the state budget invests in the future success of our communities and protects our individual ability to not only survive but thrive.

HOPE’s review of the Governor’s proposed budget provides advocates a guide on the issues we must protect and fight for to ensure the prosperity of Latinas and their families.

Total State Funds Total \$297 Billion



This is the first year Governor Newsom has faced a \$22.5 billion “budget gap” since taking office in 2019, a stark difference from the unprecedented surpluses he and the state have experienced in recent years. As he released his 5th budget, he is a commitment to education, fiscal prudence, and progress on outcomes for programs previously funded.

The Governor’s budget proposal mostly protects and maintains progress made in the current and prior budget years to help improve economic security and opportunities for Californians. It keeps promises like expanding Medi-Cal to all undocumented immigrants, advancing workforce and business opportunities, and ensuring safety net and assistance programs are kept intact. The Governor’s plan included a combination of funding delays, reductions, pullbacks, funding shifts, trigger reductions, and limited borrowing to meet the “budget gap.”

The Governor also stated he hopes to avoid tapping into the state’s \$35.6 billion reserves. Despite the fiscal projections, several legislative leaders are projecting optimism about California’s ability to weather any revenue shortfalls, pointing to the tens of billions of dollars in state reserves.

However, given the statewide severe weather events, it led to the Federal IRS and California Franchise Tax Board delaying the tax filing deadlines from April 2023 to October 2023. Ultimately, since the Department of Finance typically uses April 15th tax estimates to establish the May revision to the Governor’s Budget, the Department of Finance has indicated it will make a “best-guess” estimate for tax revenues based on the current economic trends. Currently, the State Controller’s Office, the Legislative Analyst’s Office, and the Department of Finance all estimate that state tax revenue intake for 2022-23 fiscal year-to-date is tracking roughly \$2.5-\$4 billion below the estimates in the Governor’s January 10

Budget proposal. The January 10 proposal already projected a \$24 billion deficit compared to the 2022 Budget Act.

Looking ahead, in order to balance the revenue shortfall, the Governor will have to propose cuts, deferrals, or funding delays to other one-time or ongoing funding sources. Examples could include bigger programs including the Expanded Learning Opportunities Program, lowering the Cost-of-Living Adjustment below 8.13%, or deferring additional programmatic funding. The Governor's May Revision should be released by May 15, 2023.

SMALL BUSINESS INVESTMENTS

Small Businesses are one of the key ways that Latinas build wealth. Ensuring that our Government supports and invests in small businesses is critical for the economic stability of our communities. Approximately [25% of all Latina-owned firms](#) in the country are in California, where they generated over \$19 billion in revenues and employed more than 86,000 employees in 2016. Most Latina-owned businesses (89%) are microbusinesses with five to no employees and *Latino-owned small businesses in the U.S. were [more likely](#) to use personal savings and home equity and to max out credit cards to survive during the pandemic than White-owned small businesses.*

- *Emergency Medical Technician Training*
 - *The 2022 Budget Act committed \$60 million General Fund over three years (\$20 million in each 2022-23, 2023-24, and 2024-25) at the Employment Development Department to provide targeted emergency medical technician training.*
 - *The Budget proposes **to withdraw \$20 million** (\$10 million in each 2023-24 and 2024-25)—reducing the total three-year investment to \$40 million. This reduction will be restored if there is sufficient General Fund in January 2024.*
- *Various Department of Health Care Access and Information (HCAI) Workforce*
 - *The 2022 Budget Act committed over \$1.5 billion to General Fund for healthcare and workforce development initiatives over multiple years.*
 - *The Budget defers \$68 million in 2022-23 and \$329.4 million in 2023-24 for certain HCAI healthcare workforce programs. These programs **remain fully funded, but these funds will be appropriated later than initially anticipated**—\$198.7 million in both 2024-25 and 2025-26.*
- *Unemployment Insurance Small Business Relief*
 - *The Budget proposes **to remove the \$500 million** one-time General Fund commitment made **as part of the 2022 Budget Act** to offset the anticipated rising federal unemployment insurance tax rates resulting from the Unemployment Insurance Trust Fund insolvency.*
- *Business Creation and Job Growth*
 - *\$80 million one-time General Fund was invested to spur new businesses and job creation by establishing the California Dream Fund to support micro-grants to seed*

entrepreneurship and small business creation in underserved groups (\$35 million); providing financial and technical assistance to employment social enterprises that provide jobs, on-the-job training, and other support to people who face high barriers to work (\$25 million); and expanding California Innovation Hubs and Entrepreneurship Grants to encourage the incubation of new businesses (\$20 million).

- Technical Assistance for Small Businesses
 - \$6 million General Fund in 2022-23, and \$26 million ongoing, was appropriated to permanently extend the California Office of the Small Business Advocate’s Small Business Technical Assistance Program and Capital Infusion Program, and \$8 million one-time General Fund to support Women’s Business Centers.

HEALTH ACCESS

Despite recent improvement, Latinos are significantly underrepresented in the healthcare workforce, according to [The Department of Health Care Access and Information \(HCAI\)](#). With approximately 130,000 total physicians in California, the state is 37,000 Hispanic/Latino physicians short of parity with the population.

Latinos are the population [least likely](#) to have health insurance coverage, owing primarily to holding lower paying jobs that either do not offer insurance or pay too little to afford insurance premiums and eligibility restrictions due to documentation status. In California, 11% of Latinos had no health insurance coverage in 2018 and represented 63% of all uninsured people in the state despite only representing 39% of the population.

The [cumulative death rate for Latinos](#) from COVID-19 in the state is 11% higher than the rate for all Californians as of November 2022, considerably reduced from 21% higher than the statewide death rate in May 2021.

- Expanding Health Care Access and Delivery System Transformation
 - The Budget [maintains \\$844.5 million](#) (\$635.3 million General Fund) in 2023-24, \$2.1 billion (\$1.6 billion General Fund) in 2024-25, and approximately \$2.5 billion (\$2 billion General Fund) ongoing, inclusive of In-Home Supportive Services costs, to expand full-scope Medi-Cal eligibility to all income-eligible adults ages 26 to 49 regardless of immigration status on January 1, 2024.
 - Additionally, the Budget [maintains the approximately \\$10 billion total funds](#) commitment to continue transforming the health care delivery system through California Advancing and Innovating Medi-Cal (CalAIM).
- Behavioral Health Continuum
 - The Budget [maintains over \\$8 billion in funds](#) across various Health and Human Services departments to expand the continuum of behavioral health treatment and infrastructure capacity and transform the system for providing behavioral health services to children and youth.
- Community Assistance, Recovery & Empowerment (CARE) Act
 - The Budget [maintains \\$88.3 million](#) General Fund for county start-up and state implementation and proposes additional funding for ongoing costs.
- Developmental Services Provider Rate Reform

- The Budget [maintains an estimated annual \\$1.2 billion](#) General Fund by 2024-25 to fully implement service provider rate reform with a focus on improving outcomes and quality of services and addressing disparities within the system.
- Public Health Infrastructure Investment
 - The Budget [maintains \\$300 million](#) ongoing General Fund to modernize state and local public health infrastructure and transition to a resilient public health system.
 - Of this amount, \$100 million General Fund supports increased state public health capacity in foundational public health areas such as emergency preparedness and response and workforce development and training.
 - The remaining \$200 million General Fund is for local health jurisdictions to expand public health staffing and reduce health disparities.
- Healthcare Workforce
 - The Budget [maintains over \\$1 billion](#) in General funds for the Department of Health Care Access and Information (HCAI) to strengthen and expand the state’s health and human services workforce. These investments include funding for increasing nurses, community health workers, and social workers and supporting new individuals coming into the workforce in behavioral health, primary care, and reproductive health. This commitment will be fulfilled over more time due to declining General Fund revenues.
- California’s Behavioral Health Community-Based Continuum Demonstration
 - The Budget [includes \\$6.1 billion](#) (\$314 million General Fund, \$175 million Mental Health Services Fund, \$2.1 billion Medi-Cal County Behavioral Health Fund, and \$3.5 billion federal funds) over five years for the Department of Health Care Services and the Department of Social Services to implement the Behavioral Health Community-Based Continuum Demonstration, effective January 1, 2024.
 - A critical part of CalAIM, the Demonstration includes statewide and county opt-in components to expand behavioral health services and strengthen the continuum of mental health services for Medi-Cal beneficiaries living with serious mental illness and serious emotional disturbance, with a focus on children and youth, individuals experiencing or at risk of homelessness, and justice-involved individuals.

ECONOMIC SECURITY

- In California, Latinas earned only 45 cents for every dollar earned by a White man in 2021. While this figure was up from 42 cents in 2019 it only marks a recovery to the 2011 wage gap of 45 cents after widening for a decade. No progress has been made in reducing the wage gap between Latinas and White men since 2011.ⁱ White women earned 81 cents for every dollar, up from 77 cents in 2011.
- The poverty rate for Latinas in California was 16.5% in 2021, nearly double that of White women (8.5%)ⁱⁱ and Latino families are overrepresented among the lowest income levels.ⁱⁱⁱ
 - Increased Cash Assistance
 - The Budget [maintains over \\$1 billion in General Funds](#) annually to provide increased cash assistance to individuals with disabilities and older adults in the Supplemental

Security Income/State Supplementary Payment Program and low-income children and families in the CalWORKs program.

- Community Assistance, Recovery & Empowerment (CARE) Act
 - The Budget **includes \$16.5 million** General Fund in 2023-24, \$66.5 million General Fund in 2024-25, \$108.5 million in 2025-26, and annually thereafter to support estimated county behavioral health department costs for the CARE Act.
- Behavioral Health Bridge Housing Program
 - The Budget **delays \$250 million** General Fund of the total \$1.5 billion General Fund to 2024-25 for the Behavioral Health Bridge Housing Program. The Budget maintains \$1 billion General Fund in 2022-23 and \$250 million General Fund in 2023-24 for this program.
- Behavioral Health Continuum Infrastructure Program
 - The Budget **delays the last round** of behavioral health continuum capacity funding **of \$480.7 million** General Fund appropriated in the 2022 Budget Act for 2022-23 to \$240.4 million in 2024-25 and \$240.3 million in 2025-26. A total of \$1.2 billion has been awarded to date, and the Budget maintains \$480 million General Fund for crisis and behavioral health continuum grant funding to be awarded in 2022-23.
- In-Home Supportive Services
 - The IHSS program provides domestic and related services such as housework, meal preparation, and personal care services to eligible low-income individuals with disabilities, including children and adults, and low-income individuals aged 65 and over. These services are provided to assist individuals in remaining safely in their homes and preventing more costly institutionalization.
 - The Budget **includes \$20.5 billion** (\$7.8 billion General Fund) for the IHSS program in 2023-24. The average monthly caseload in this program is estimated to be 642,000 recipients in 2023-24.
- Supplemental Security Income/State Supplementary Payment (SSI/SSP)
 - The state-only Cash Assistance Program for Immigrants (CAPI) provides monthly cash benefits to aged, blind, and disabled individuals who are ineligible for SSI/SSP due solely to their immigration status.
 - The Budget **includes \$3.5 billion** General Fund in 2023-24 for the SSI/SSP program, including CAPI. The average monthly caseload in this program is estimated to be 1.1 million recipients in 2023-24.
 - An 8.7-percent federal SSI cost-of-living adjustment and 10.3-percent SSP increase took effect on January 1, 2023, bringing the maximum SSI/SSP grant levels to \$1,134 per month for individuals and \$1,928 per month for couples. CAPI benefits are equivalent to SSI/SSP benefits.
 - SSP Increases
 - The Budget **reflects \$146 million** General Fund in 2023-24 and \$292 million ongoing for an additional SSP increase of approximately 8.6 percent, effective January 1, 2024.

COVID-19 / PANDEMIC AID

- Emergency Response and SMARTER Plan Implementation
 - The Budget **reflects \$176.6 million** General Fund in 2023-24 to continue the state's efforts to protect the public's health against COVID-19, consistent with the Administration's SMARTER Plan, and maintain significant information technology systems, including the California COVID Reporting System for laboratory data management and CalCONNECT for case and outbreak investigation.
- The current Year 2022-23 COVID-19 Response
 - The Budget assumes **reduced** COVID-19 direct response expenditures of approximately **\$614 million** California Emergency Relief Fund in 2022-23 compared to the 2022 Budget Act. The decrease is partly driven by reduced response activities since the peak of the COVID-19 Pandemic.
- Partial Public Health Workforce Reductions
 - The Budget **reduces** funding for various public health workforce training and development programs by **\$49.8 million** in General Funds over four years to help address the budgetary problem.
 - The Budget **maintains \$47.7 million** General Fund over four years for community-based clinical education rotations for dental students and public health incumbent workforce upskilling and training.
- COVID-19 Impacts
 - The Budget **includes \$51.3 million** General Fund in 2023-24 to protect patients and staff from COVID-19 and other infectious diseases.
- Fund Shift
 - The Budget shifts \$29.4 million one-time from the General Fund to the Mental Health Facilities Fund (reimbursements in 2022-23) from available reserves for state operations.
- Federal Public Health Emergency Extension
 - The Budget assumes a two-quarter extension of the federal Public Health Emergency through mid-April 2023 and enhanced federal funding through the end of the 2022-23 fiscal year. The Budget continues to reflect significant fiscal impact related to COVID-19 across various. Additionally, the Budget does not reflect the impact of the recently signed federal Consolidated Appropriations Act.
- Home- and Community-Based Services (HCBS) Spending Plan
 - The Budget includes adjustments to the HCBS spending plan based on revised claiming of the enhanced federal funding and expenditure estimates to \$2.8 billion, a \$60 million reduction compared to the 2022 Budget Act.

CHILD CARE, DEVELOPMENT, SERVICES, AND OPPORTUNITIES

Latinas constitute **43 percent of the mothers** in California with children under the age of 18 living in their households. Looked at another way, of children under the age of 18 with a mother living with them,

more than half have a Latina mother. How Latinas fare is critical to how their children do—and thus to how the state will do it.

- Child Care
 - The state reached a historic agreement with Child Care Providers United – California to bargain reimbursement rate increases collectively. The Budget [maintains over \\$2 billion](#) annually to expand subsidized childcare slot availability.
- Children’s Programs Child Welfare Services
 - The Budget [includes \\$884.9 million](#) in General Funds in 2023-24 for these programs’ services to children and families. When federal and 1991 and 2011 Realignment funds are included, total funding for children’s programs exceeds \$9.2 billion in 2023-24.
- Cost-of-Living Adjustment (COLA)
 - The Budget [includes \\$301.7 million](#) in General Funds for Child Care and Development Programs and \$1.5 million for the Child and Adult Care Food Program to reflect an estimated statutory COLA of 8.13 percent.
- Child Care Slot Expansion Timing
 - The Budget [maintains the commitment](#) initiated as part of the 2021 Budget Act to continue funding 110,500 new subsidized child care slots added in 2021-22 and another 36,000 new slots added in 2022-23, with the goal of eventually funding over 200,000 expanded slots. However, thousands of newly available slots since 2021-22 still need to be filled. To accommodate the time necessary to utilize recent slot expansions, the Budget assumes that 20,000 new slots that would have been funded in 2023-24 will instead be funded in 2024-25.
- California Food Assistance Program (CFAP) Expansion Timing
 - The Budget [delays timing of the CFAP expansion](#) to all income-eligible noncitizens 55 years of age or older, consistent with the necessary completion of the California Statewide Automated Welfare System migration. Benefit distribution is estimated to begin on January 1, 2027.
- The Department of Developmental Services (DDS)
 - DDS provides individuals with intellectual and developmental disabilities a variety of services as an entitlement that allow them to live and work independently or in supported environments.
 - The Budget [includes \\$14.2 billion](#) (\$8.6 billion General Fund) and estimates that approximately 421,000 individuals will receive services in 2023-24.
- Safety Net Plan Update
 - The Budget [includes \\$28.7 million](#) (\$22.1 million General Fund) to expand safety net services further to support individuals with complex needs.
- Preschool Inclusion Grants
 - The Budget [delays for two years](#), from 2022-23 to 2024-25, the implementation of an [annual \\$10 million](#) General Fund grant program to support preschool inclusion efforts such as facility modifications or staff training. The Budget maintains the grant program on an ongoing basis from 2024-25.

CHILD SAVINGS ACCOUNTS

CalKIDS funds college savings accounts targeted to low-income and underrepresented public-school students and establish college savings accounts for all newborns. The Budget utilizes available resources within the CalKIDS program, created by reduced cost estimates, to increase incentive payments to parents choosing to open accounts for their newborn child from \$25 to \$100.

- CalKIDS Program Marketing
 - An **increase of \$1 million** one-time General Fund to support marketing efforts to increase participation in the CalKIDS child savings accounts program, which seeks to help more California students afford higher education.

EARLY EDUCATION: Transitional Kindergarten and Preschool

Transitional Kindergarten

- The Budget revises estimates for the first-year investment from \$614 million to approximately \$604 million to expand access to all children turning five-years-old between September 2 and February 2 and revises the first-year investment to add one additional certificated or classified staff person to every transitional kindergarten class from \$383 million to approximately \$337 million. These revisions reflect updated enrollment and attendance data. Building upon these first-year investments, the Budget includes \$690 million to implement the second year of transitional kindergarten expansion, which will increase access to the program to all children turning five years old between September 2 and April 2 (approximately 46,000 children) and \$165 million to support the addition of one additional certificated or classified staff person in transitional kindergarten classrooms serving these students. Full implementation of universal transitional kindergarten is expected in 2025-26.

Preschool Inclusion

- The Budget delays for two years, from 2022-23 to 2024-25, the implementation of an annual \$10 million General Fund grant program to support preschool inclusion efforts such as facility modifications or staff training. The Budget maintains the grant program on an ongoing basis from 2024-25.

YOUTH PROGRAMS

- Youth Jobs Corps Program
 - The Budget **proposes \$78.1 million** ongoing General Fund to make the CaliforniansForAll Youth Jobs Corps program permanent while providing pathways for undocumented Californians with work authorization.
- Summer Youth Jobs Corps Program
 - The Budget proposes **eliminating \$25 million one-time** General Fund included in the 2022 Budget Act to support the existing Youth Jobs Corps program and offer additional summer employment opportunities. The proposed ongoing funding for the Youth Jobs Corps program can achieve the purpose of this one-time grant program.

EDUCATION

The 2023 Budget projects total Proposition 98 spending at \$108.8 billion in 2023-24, reflecting a \$1.5 billion decrease from the enacted 2022 Budget Act. Total Proposition 98 spending over 2021-22, 2022-23, and 2023-24 fiscal years decreased by \$4.7 billion total, compared to the 2022 Budget Act funding levels. However, total K-12 spending in 2023-24 is down less than \$100 million from all sources compared to 2022-23, and total per-pupil spending in 2023-24 reaches a historical \$17,519 from Proposition 98 General Fund, and a historical \$23,723 overall.

Significant K-12 Proposition 98 spending adjustments include:

- Local Control Funding Formula (LCFF)
 - The Budget includes an LCFF cost-of-living adjustment of 8.13 percent, the highest cost-of-living adjustment in recent memory. Combined with growth adjustments, this increase will result in \$4.2 billion in additional discretionary funds for local educational agencies.
 - To fully fund this increase and to maintain the level of current year LCFF apportionments, the Budget provides approximately \$613 million in one-time resources to support the ongoing cost of LCFF in 2022-23 and approximately \$1.4 billion in one-time resources to support the ongoing cost of LCFF in 2023-24.
 - County Offices of Education will receive a total increase of \$51.7 million to reflect the 8.13% COLA and changes in attendance.
- LCFF Equity Multiplier
 - The Budget includes \$300 million in ongoing Proposition 98 funding as an add-on to the LCFF to establish an equity multiplier. The funds would be allocated to local educational agencies based on school-site eligibility and must be used to augment resources to support the highest-needs schools.
- Proposition 28
 - The Budget includes \$941 million in one-time Proposition 98 funding to provide the first year of programs for the Arts and Music in Schools Funding Guarantee and Accountability Act (Prop 28).
- Categorical Programs
 - The Budget increases ongoing Proposition 98 funding for categorical programs that remain outside of the LCFF by \$669 million to reflect the 8.13% COLA.
- Literacy Coaches and Reading Specialists
 - The Budget provides an additional \$250 million in one-time Proposition 98 funding to augment the existing Literacy Coaches and Reading Specialists Grant Program.
- California College Guidance Initiative
 - The Budget increases ongoing Proposition 98 funding for the California College Guidance Initiative by \$3.9 million.
- Arts, Music, and Instructional Materials Discretionary Block Grant
 - The Budget proposes to reduce the total one-time Proposition 98 funding for the Arts, Music, and Instructional Materials Discretionary Block Grant from the 2022 Budget Act (\$3.5 billion total) to \$2.3 billion. The freed up \$1.2 billion will provide one-time funding for the first year implementation of Prop 28 programs and the additional LCFF one-time costs.

Non-Proposition 98 State General Fund expenditures include:

- Literacy Roadmap

- The Budget provides \$1 million in one-time funding to create a Literacy Roadmap to help educators navigate the various resources for literacy and high-quality reading instruction.
- School Facility Program
 - The Budget proposes to reduce the total General Fund appropriation for the School Facility Program by \$100 million, leaving a total of \$2 billion for the planned allocation in 2023-24.

Other Significant Policy Adjustments include:

- Accountability
 - In conjunction with the proposed LCFF Equity Multiplier, the Administration intends to enact a comprehensive package of amendments to the K-12 accountability and continuous improvement system. The amendment aims to reduce equity gaps among student groups and schools within local educational agencies.
- Special Education
 - The Administration intends to enact the following reforms:
 - Limit the amount of additional funding that Special Education Local Plan Areas (SELPA) can retain for non-direct student services prior to allocating base funding to member agencies.
 - Stabilize current SELPA membership by extending the moratorium on creating single-district SELPAs from June 2024 to June 2026.
 - Require CDE to post SELPA annual local plans, including governance, budget, and service plans.

HIGHER EDUCATION AND STUDENT AID

Higher education institutions had funding for deferred maintenance, and across segments encouraged to increase their enrollment. In relation to community colleges, while the Administration does not propose any immediate changes funding, it intends to establish options for districts to address local budgets in the event of continued enrollment stagnation or decline.

Dual Enrollment:

- The Administration requests community colleges establish dual enrollment agreements with all applicable local educational agencies within their community college districts' service area if they have not done so. It also requests that all community colleges develop and offer a one-unit service-learning course that all high school students can access through dual enrollment opportunities. These service-learning opportunities would encourage high school students to volunteer in their local communities and participate in civic engagement.

Student Housing:

- Higher Education Student Housing Grant Program
 - The 2021 Budget Act established the program to provide grants for the CCCs, CSU, and UC to construct student housing or to acquire and renovate commercial properties into student housing for low-income students. **The Budget proposes delaying \$250 million of the anticipated 2023-24 support for affordable student housing projects to the**

2024-25 fiscal year. Therefore, making \$500 million available for 2023-24 and \$250 million for 2024-25.

- Housing revolving loan program
 - The 2022 Budget Act also included intent language to provide a \$1.8 billion one-time General Fund over two years in 2023-24 and 2024-25 to establish a student housing revolving loan program for the UC, the CSU and the CCCs. **The Budget proposes delaying the \$900 million planned in 2023-24 to the 2025-26 fiscal year and delaying \$250 million from the 2024-25 fiscal year to the 2025-26 fiscal year.**
 - **This delay would result in \$650 million in 2024-25 and \$1.15 billion in 2025-26 being available for the Program.**

Student Aid

- The Budget assumes total financial aid expenditures of \$3.3 billion, of which \$2.3 billion supports the Cal Grant Program and \$859 million supports the Middle-Class Scholarship program. The state's Cal Grant entitlement program is estimated to provide over 377,000 financial aid awards to students who meet specified eligibility criteria in 2023-24. Students who demonstrate financial need but do not meet all of the entitlement awards criteria may qualify for one of 13,000 proposed competitive Cal Grant awards. Most of these awards provide a stipend to cover some living expenses, such as housing, food, and transportation.

ⁱ U.S. Census Bureau. Calculations based on ACS data. [Tables B20017, B20017I, and B20017H].

ⁱⁱ U.S. Census Bureau. ACS 2021 1-year estimates. [Tables B17001I and B17001H].

ⁱⁱⁱ Bohn, S. Thorman, T., Herrera, J. (July 2022). Fact Sheet: Income Inequality in California. Public Policy Institute of California.