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## The Governor's Proposed Budget Would Disproportionately Affect California's Children

The Governor has proposed substantial reductions to virtually all state-supported services to close the state's budget gap. The Proposed Budget would reduce funding for education as well as affect access to health care and human services that support vulnerable children. Specifically, the Governor proposes to:

- Reduce spending for **K-12 education** by \$4.4 billion in 2008-09, equivalent to \$786 for each student in California's public schools. Specific cuts include:
  - \$2.6 billion to **K-12 apportionments**, which provide general operating support for local school districts. This cut is equivalent to \$443 for each of California's public school students.
  - \$635.9 million to **Special Education**, equivalent to \$108 for each of California's public school students.
  - \$206.5 million to **K-3 Class Size Reduction**, equivalent to \$36 for each of California's public school students.
  - \$122.4 million to the **Targeted Instructional Improvement Block Grant** and \$113.7 million to **Economic Impact Aid**. These allocations help school districts teach low-achieving and low-income students as well as English-language learners.
- Drop nearly 200,000 children from the **CalWORKs Program** by terminating all cash aid to their families.
- Increase **Medi-Cal** paperwork requirements, which would cause more than 150,000 children to lose Medi-Cal coverage in 2008-09 – rising to a total of nearly 300,000 by 2009-10.
- Reduce payments to many providers who treat **Medi-Cal** patients by 10 percent. Research suggests that California's low provider payment rates are a barrier to accessing health care services, and the Administration recognizes that "certain providers may choose not to continue their participation in the program" as a result of the cuts.
- Reduce dental services, raise family premium contributions, and increase copayments for children who get their health coverage through the **Healthy Families Program**.
- Reduce funding for screening and treatment services for children through the **Early and Periodic Screening, Diagnosis, and Treatment Program**, for savings of \$46.3 million in 2008-09.

- Reduce the number of children in **child care and preschool** by more than 18,000 by cutting funding for child development programs by \$198.9 million in 2008-09. The Governor also proposes to reduce funding for before and after school programs by \$59.6 million.
- Freeze the income eligibility limit for **child care services** at the 2007-08 level in 2008-09. As a result, low-income working families who earn above the income limit would lose child care assistance, and families who have left public assistance risk returning to aid due to the high cost of child care.
- Reduce random inspections of certain care facilities, including **child care centers**, from once every three years to once every seven years, for state savings of \$2.3 million in 2008-09. Reduced inspections could affect the safety of these facilities.
- Reduce funding for the **Child Welfare Services Program**, for state savings of \$83.7 million in 2008-09. State funding helps counties provide services to abused and neglected children, children in foster care, and their families.
- Reduce funding for the **foster care and adoption assistance programs** by 10 percent by reducing the rates paid to families and facilities that provide shelter and services primarily to abused and neglected children for state savings of \$81.5 million in 2008-09. According to the Administration, the reduction “may reduce the placement alternatives available to children with special needs.”
- Reduce funding for county **mental health programs** by \$23.8 million in 2008-09.
- Reduce the free and reduced price meal reimbursement rate for **child nutrition programs**, for state savings of \$14.2 million in 2008-09.

An analysis of the dollar impact of selected reductions by county proposed by the Governor is available at [www.cbp.org](http://www.cbp.org).