

Governor's 2021-22 State Budget Proposal
Friday, January 8, 2021

The Governor started his presentation of the state budget proposal with a reflection on what has happened to our economy, budget, communities, and the pandemic in the last year. You can find the budget summary [here](#).

- The proposal represents a \$227 billion spending plan and balanced budget.
- The state has \$34 billion in budget reserves and surplus.
- The proposal includes \$5 billion of immediate action spending for the Legislature to consider and approve. Those proposals include:
 - \$2 billion to reopen schools safely
 - \$575 million for small business grants
 - \$71 million for fee waivers for small businesses
 - \$2.4 billion for the Golden State Stimulus Package
- The budget includes a \$ 2.4 Billion Golden State Stimulus - \$600 direct payments for an estimated 4 million Californians immediately, and extension of eviction moratorium which is set to sunset in March 2021.
- Higher Education proposals include emergency assistance to re-engage students that left during the COVID-19 pandemic. Some of the California Community College proposals include:
 - \$20 million to bolster CCC student retention rates and enrollment.
 - 1.5% COLA for apportionment and 0.5% for growth.
 - \$250 million of financial aid grants for California Community College students.
 - \$100 million for basic needs focused on food and housing.
 - \$30 million for technological access and mental health needs.
 - \$20 million for professional development focused on leveraging technology.
- The budget proposes the highest level of K-12 spending per pupil in our State's history.
 - The proposal includes \$4.6 billion to extend learning time with summer school, before and after school.
 - A 3.84% COLA.
 - And \$3.8 Billion above the Proposition 98 guarantee, this includes several teacher preparation programs.
- The budget includes new spending proposals focused on the "Parent's Agenda: Early Childhood Education."
- The budget proposes investments in workforce development efforts, including – noted \$250 million to support linkages between higher education and gainful employment.
- The budget continues investments in COVID-19 Relief, including:
 - \$2 billion for testing,
 - \$473 million for contract tracing, and
 - \$372 million for vaccines.
- The State anticipates federal support for testing, tracing, and vaccines.
- Significant investments in Economic Recovery and Job Creation, including small business grants and fee waivers.
- The budget proposes changes to Medi-Cal, including a \$1.1 Billion investment to bring back the CalAIM proposal.

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