Agenda

- Budget Updates
  - Governor’s FY20 State Budget Proposal
  - Federal Budget
- IAFC FY20 Policy and Budget Priorities
- Additional Early Childhood Legislation
- Advocacy Opportunities
- Q&A

IAFC POLICY AND BUDGET PRIORITIES
2019 Legislative Session

- Pass responsible FY20 state budget that invests in early childhood
- Increase access to Child Care Assistance Program
- Identify and promote strategies to address early childhood workforce challenges
- Invest in capital improvements for early childhood facilities
- Implement fair and sustainable revenue
Governor’s FY20 Budget Proposal

- Governor Pritzker delivered his first Budget Address on February 20, 2019, unveiling his proposed budget for Fiscal Year 2020 (FY20)

- Estimated total revenue: $38.9B in General Revenue Funds (GRF)
  - Calls for several new revenue sources and changes to existing sources

- Total spending: $38.75B (GRF)
  - Increases to several early childhood services, K-12, and higher education

- This proposed budget relies on $1.121B in new revenues that will require legislative action
  - Without these revenues, there would be a 4% cut in GRF funding across all services
Governor Pritzker’s budget materials list his spending priorities as:
- Early childhood programs (birth to age 5)
- K-12 education
- Higher education
- Health and social services programs
- Criminal justice reform and public safety
- Infrastructure investment
## FY20 Proposed Early Childhood Spending

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>FY17 Actual (GRF)</th>
<th>FY18 Actual (GRF)</th>
<th>FY19 Approp. (GRF)</th>
<th>FY20 Proposed (GRF)</th>
<th>Change FY18-FY19</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHILD CARE</td>
<td>$322.5M</td>
<td>$357.3M</td>
<td>$401.8M</td>
<td>$431.8M</td>
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<tr>
<td>EARLY INTERVENTION</td>
<td>$92.7M</td>
<td>$96.7M</td>
<td>$96.7M</td>
<td>$103.7M</td>
<td>$7.0M</td>
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<tr>
<td>HOME VISITING</td>
<td>$13.7M</td>
<td>$14.1M</td>
<td>$16.9M</td>
<td>$16.9M</td>
<td>$0</td>
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<tr>
<td>EARLY CHILDHOOD BLOCK GRANT</td>
<td>$393.7M</td>
<td>$443.4M</td>
<td>$493.7M</td>
<td>$593.7M</td>
<td>$100M</td>
</tr>
</tbody>
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Data Source: Governor’s Office of Management and Budget, Illinois State Budget Fiscal Year 2020
FY20 Proposed Budget
Child Care Assistance Program

- Governor’s Proposal: $30M increase from FY19 appropriation
- Proposal includes extending initial eligibility to 200% FPL and the exit level up to 215% FPL, allowing families receiving assistance to increase their earnings without losing services

CCAP Funding (GRF)

Data Source: Governor’s Office of Management and Budget, Illinois State Budget Fiscal Year 2020
FY20 Proposed Budget
Child Care Assistance Program

- Governor’s office estimates the changes to eligibility will lead to 10,000 more children receiving CCAP services
- 12 month eligibility should increase caseload beginning in April

CCAP Certificates Caseload
June 2015 – January 2019

- 157,715 June 2015
- 125,545 July 2016
- 123,895 July 2017
- 120,139 Jan. 2018
- 116,965 Jan. 2019

- 124,902 Jan. 2017
- 120,139 Jan. 2018
- 122,960 July 2018

- November 2015 – Partial Restoration
- July 1, 2015 - Eligibility Restrictions In Effect
- October 2017 - Full Restoration
- October 2018 - 12 Month Eligibility
FY20 Proposed Budget

Early Intervention

- Governor’s Proposal: $7M increase from FY19 appropriation
  - Increase proposed to respond to larger EI caseload

Data Source: Governor’s Office of Management and Budget, Illinois State Budget Fiscal Year 2020
**FY20 Proposed Budget**

**IDHS Home Visiting**

- **Flat Funding Proposed for FY20**
  - Home Visiting programs did not have a full appropriation in FY16 and FY17, causing the caseload to drop.

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**Home Visiting Funding (GRF)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding (in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16 Actual</td>
<td>13.8</td>
</tr>
<tr>
<td>FY17 Actual</td>
<td>13.8</td>
</tr>
<tr>
<td>FY18 Actual</td>
<td>13.8</td>
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<tr>
<td>FY19 Approp</td>
<td>16.9</td>
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<tr>
<td>FY20 Proposed</td>
<td>16.9</td>
</tr>
</tbody>
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16.9 M
FY20 Proposed Budget
Early Childhood Block Grant

- Governor’s Proposal: $100M increase from FY19 appropriation
FY20 Proposed Budget

Other Highlights

- $375 million increase to ISBE, including $50 million in property tax relief
- $73 million increase to DCFS
- $50 million increase for the Monetary Award Program (MAP)
- $52.2 million increase to Public Universities
- $13.9 million increase to Community Colleges
- Reserves $107 million in the DHS budget for rate increases tied to the minimum wage
Governor Pritzker Proposes over $1 billion in new revenue from the following sources:

- Sports Wagering
- Recreational Cannabis
- Plastic Bag Tax
- Closing Corporate Tax Loopholes
- E-Cigarette Tax and increase Cigarette Tax
- MCO Assessment
- Increased Video Gaming Tax

Implementation of a Fair Tax in January 2021
FY20 Budget Next Steps

- Governor Pritzker’s budget proposal is a starting point for negotiations in General Assembly (GA)

- Appropriations bills have already been filed with the amounts outlined in Governor’s proposal

- GA will hold appropriations hearings in coming months to hear from state agencies and advocates about the impact of proposed budget

- Elected officials must find an agreement on a state budget that adequately funds our state’s priorities by the end of legislative session (May 31)

- A constitutional amendment referendum must be passed to all for a fair tax
IAFC Policy & Budget Priorities

- Responsible FY20 state budget with the following investments in early childhood:
  - Support the Governor’s Recommended $30M increase to CCAP
    - Increase eligibility to 200% FPL with a higher exit threshold, increase rates to providers and increase caseload due to 12 month eligibility
  - Support $100M increase to ECBG
    - Meet demand demonstrated in FY19 and continue to expand services
  - Support $7M increase for EI
    - Meet increased caseload demands and increase provider rates
  - Request a Doubling of Funding to IDHS Home Visiting programs
    - Restore services and program capacity lost under budget impasse
IAFC Policy & Budget Priorities

- $250M for early childhood capital campaign
  - Meet demand for new and improved ECE facilities, as evidenced by over $500M in requests from 2011 grant opportunity

- Fair and sustainable revenue to continue investments in the state’s priorities into the future
  - Support efforts to get constitutional amendment on 2020 general election ballot that would allow the adoption of fair, progressive income tax
  - A Fair Tax would allow the state to have higher taxes on higher incomes and lower taxes on lower incomes.
IAFC Policy & Budget Priorities

Legislation

- SB 1679/HB 3567 – Increase income eligibility to 200% FPL
- SB 1316/HB 2191 – Increase Early Intervention Provider Rates
- SB 1321 – Required DHS to conduct outreach in regards to the Child Care Assistance Program
- HB 71 – Removes the ability of the Governor’s office to reduce income eligibility and increase co-payments in the Child Care Assistance Program
- HR 87/SR 85 – A resolution to support $250 million in Early Childhood Capital in the Capital Bill
Advocacy Opportunities

- Look for IAFC alerts to take action on legislation
  - Call your legislators and urge them to support or oppose bills
  - File witness slips to state your support or opposition to bills in committee hearings

- Spring into Action Conference – April 2, 2018
  - Join other ECE professionals to learn about important policy issues facing the field

- Early Childhood Advocacy Day – April 3, 2018
  - Engage in legislative advocacy at the State Capitol with early childhood advocates from across Illinois
Questions?
Contact Us

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