



Celebrating
50 illinois
action for
children
— 1969—2019 —



State Policy & Budget Priorities

March 1, 2019



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's FY20 Budget Proposal



- 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



(E. Jason Wambsgans/Chicago Tribune)



FY20 Proposed Early Childhood Spending



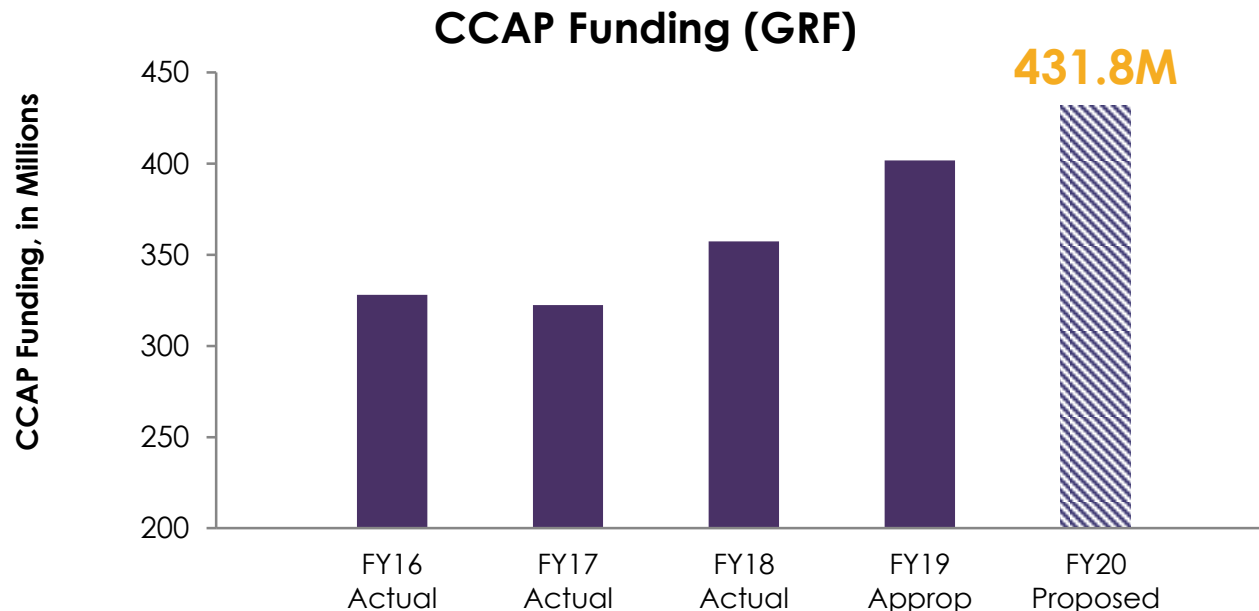
PROGRAM	FY17 Actual (GRF)	FY18 Actual (GRF)	FY19 Approp. (GRF)	FY20 Proposed (GRF)	Change FY18-FY19
CHILD CARE	\$322.5M	\$357.3M	\$401.8M	\$431.8M	\$30.0M
EARLY INTERVENTION	\$92.7M	\$96.7M	\$96.7M	\$103.7M	\$7.0M
HOME VISITING	\$13.7M	\$14.1M	\$16.9M	\$16.9M	\$0
EARLY CHILDHOOD BLOCK GRANT	\$393.7M	\$443.4M	\$493.7M	\$593.7M	\$100M

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



Data Source: Governor's Office of Management and Budget, Illinois State Budget Fiscal Year 2020

+ FY20 Proposed Budget

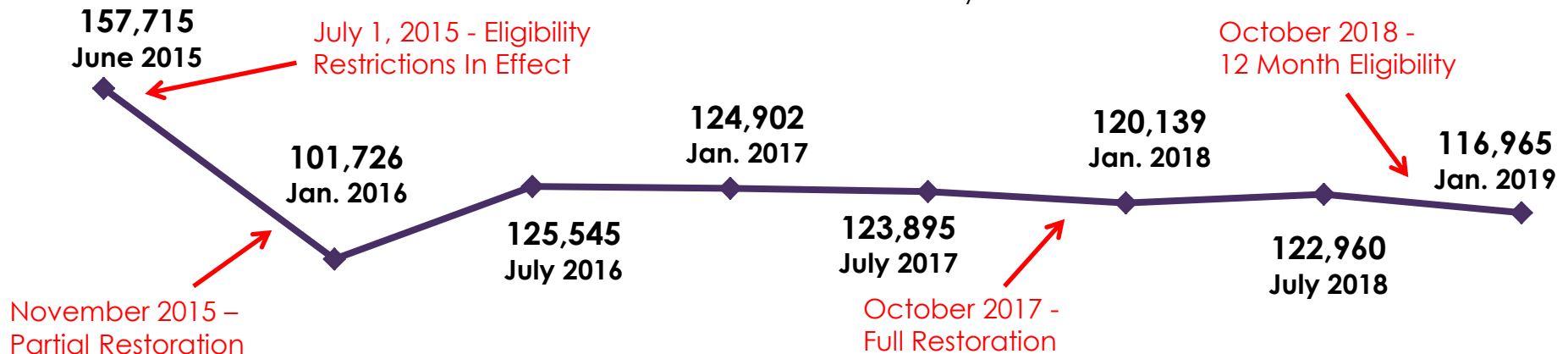
Child Care Assistance Program



- 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

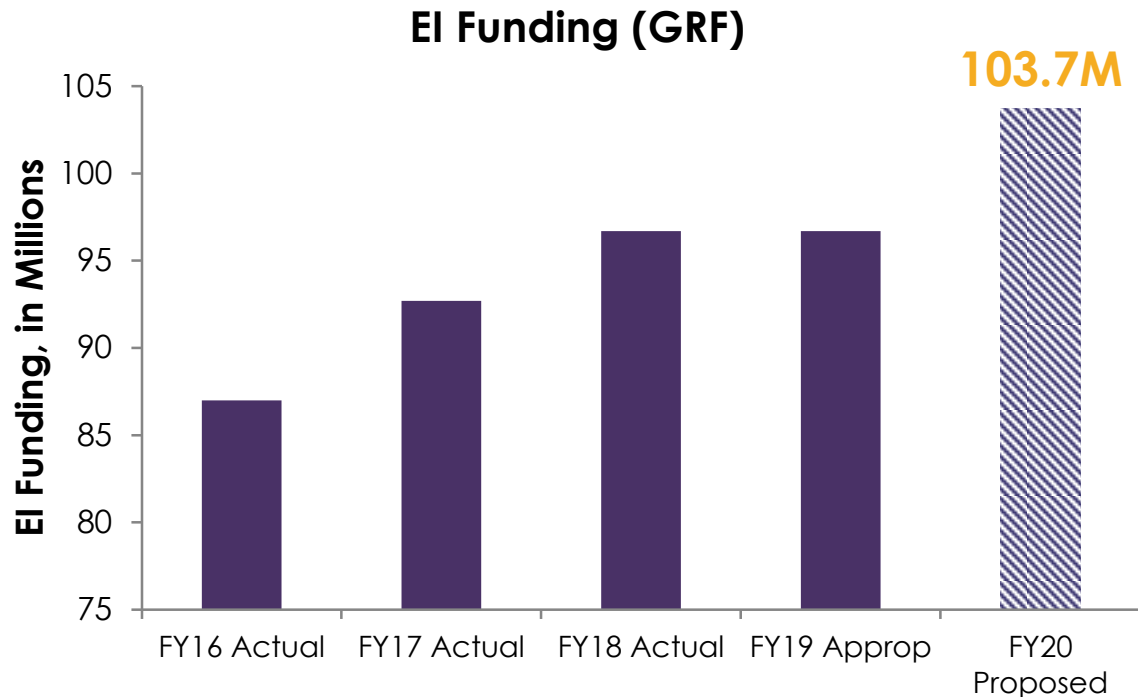
June 2015 – January 2019



+ 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

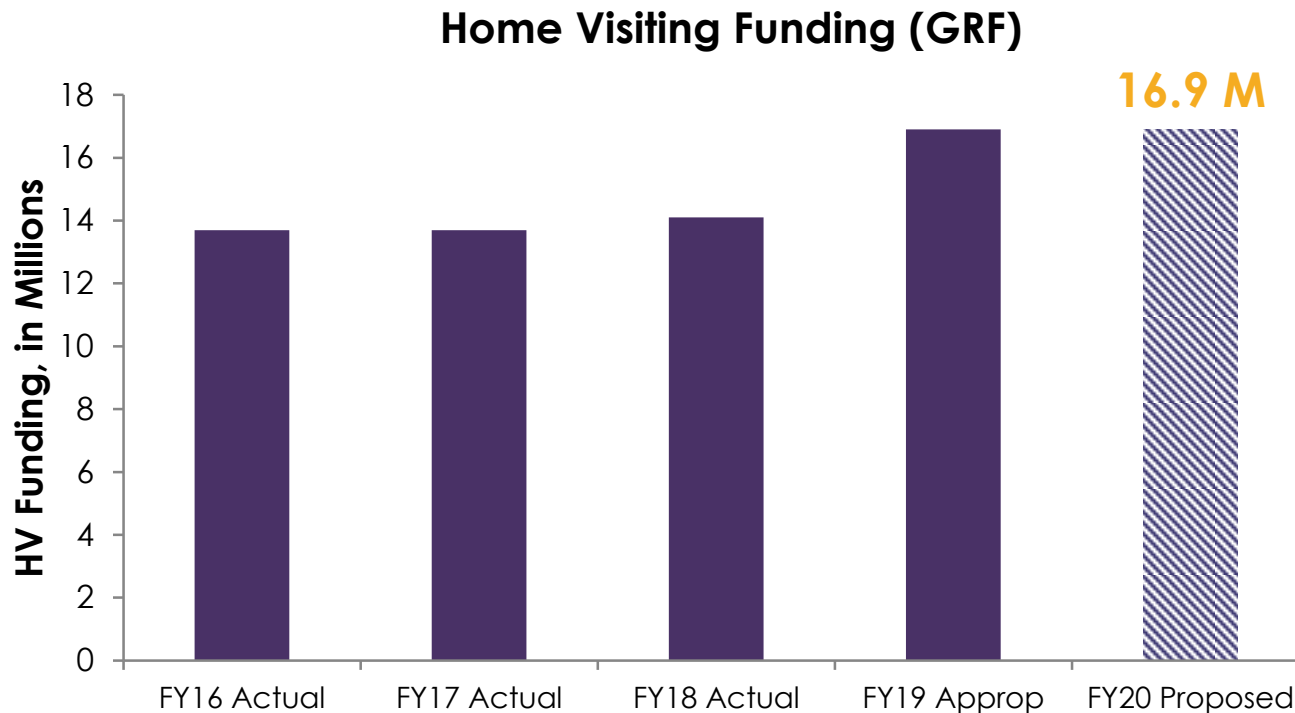
+ FY20 Proposed Budget

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

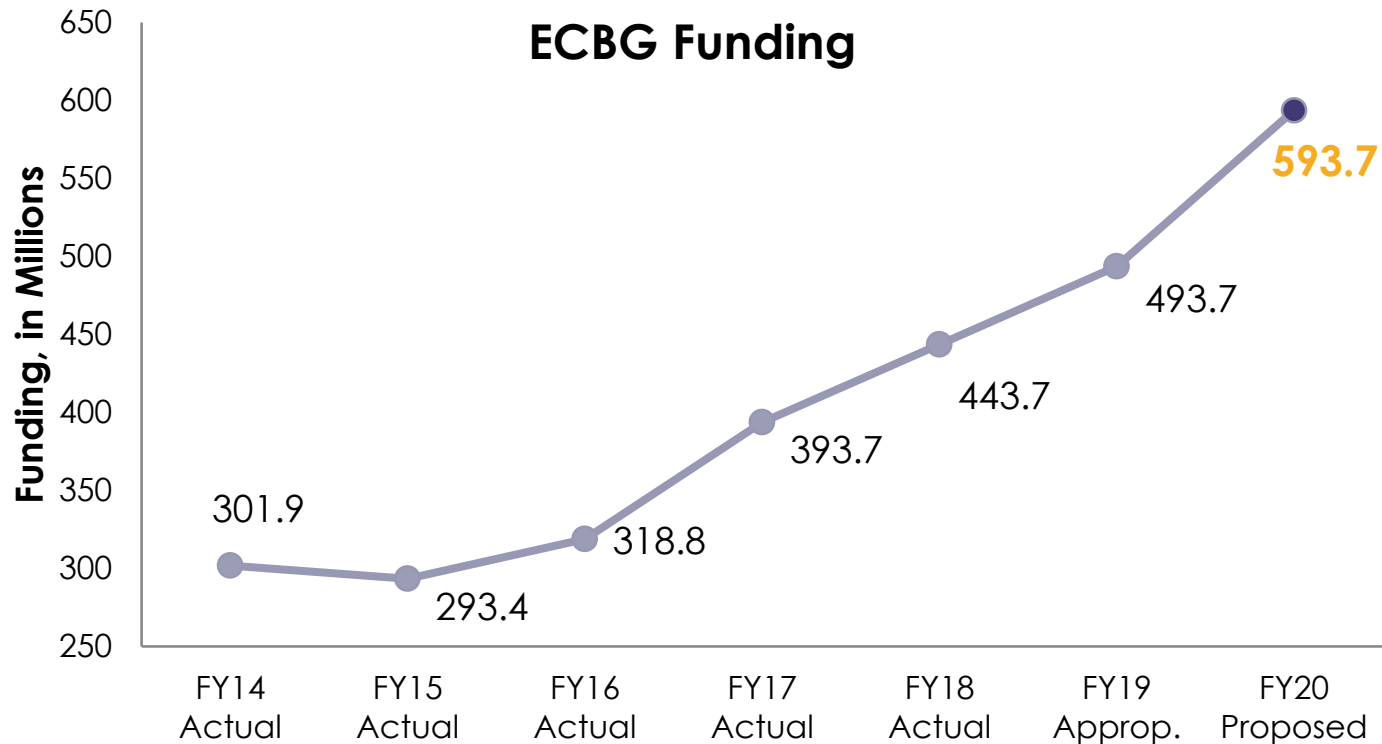




FY20 Proposed Budget Early Childhood Block Grant



- Governor's Proposal: \$100M increase from FY19 appropriation



Data Source: Governor's Office of Management and Budget, Illinois State Budget Fiscal Year 2020

+ 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

+ FY20 Proposed Budget Revenues



- 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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