



















June 1, 2023

The Honorable Gavin Newsom Governor, State of California 1315 10<sup>th</sup> Street Sacramento, CA 95814

The Honorable Anthony Rendon Speaker of the Assembly State Capitol, Room 219 Sacramento, CA 95814

Re: 2023-24 State Budget Proposal

The Honorable Toni Atkins Senate President Pro Tem 1021 O Street, Suite 8518 Sacramento, CA 95814

Dear Governor Newsom, Pro Tem Atkins, and Speaker Rendon:

As members of the <u>Skills for CA Network</u>, we respectfully urge you to protect key investments in workforce development, education, and social safety net as you consider pending budget priorities. Skills for CA is a statewide network of organizations advancing workforce development policies that remove systemic barriers and promote an inclusive economy for all Californians.

Despite this year's budget shortfall, we thank Governor Newsom for largely maintaining historic investments made in previous years, such as funding to support community colleges, returning students, and advance career technical education and workforce training programs intended

to provide economic mobility for underserved Californians. However, there are various budget proposals still pending that seek to advance economic mobility in California's most underserved communities.

The Skills for CA Network urges the Administration and the Legislature to reject funding reductions and delays to workforce development and social safety net programs that aim to provide economic opportunity to underserved communities - many of whom continue to face employment barriers, struggle to pay rent, put food on the table, pay for child care, and cover healthcare costs.

Based on our vision to remove systemic barriers and promote an inclusive economy for all Californians, we respectfully urge you to protect investments and support the following budget items related to education, training, workforce development, and social safety net.

## Protect Higher Education Investments for Returning Students & Opportunity Youth

- **Support Community College Investments**. The May Revision proposes an increase of \$25.4 million in ongoing investment to reflect a change in the cost-of-living adjustment from 8.13% to 8.22%, in addition to the same COLA increase for select categorical programs and the Adult Education Program. We urge our state leaders to maintain these investments.
- Support Cradle to Career Data System Investments. The May Revision maintains funding to support the Office of the Cradle-to-Career (C2C) Data System, adding 10 new positions, reclassification of four existing positions, and \$4.9 million General Fund in fiscal year 2023-24 and ongoing to fund and manage the data system's capacity efforts. The data system will provide tools to help students reach their career goals & provide critical information on education and workforce outcomes. We urge our state leaders to continue investments in the data system.
- Invest in Student Financial Aid Access Cal Grant Reform 2024. We appreciate the acknowledgment by the Administration to continue its commitment to implement Cal Grant Reform in 2024, depending on future state revenues. California has made some strides in removing Cal Grant access barriers, such as removing the time-out-of-high school and age eligibility requirements. However, as budget negotiations continue that could impact next year's fiscal outlook, we urge our state leaders to prioritize key investments for Cal Grant Reform implementation.

## Protect Social Safety Net Programs for Working Families

- Invest in Food for All. We thank the Governor for maintaining the commitment to expand the CA Food Assistance Program (CFAP) for undocumented immigrants 55 years or older and providing access to food benefits sooner than anticipated from January 2027 to now October 2025. However, undocumented immigrants 54 and under continue to experience food insecurity and without access to CFAP. We urge our state leaders to invest in food access for all Californians regardless of age and immigration status.
- Invest in a Social Safety Net for Undocumented Workers. The May Revision does not include funding to support the legislature's proposal to create the Excluded Workers Program, which would provide workers who are ineligible for unemployment insurance due to their immigration status with \$300 per week for up to 20 weeks continuing to hinder the lives of working immigrants who continue to be left out of our state's prosperity. We urge our state leaders to invest in strategies that will truly advance a California for All.
- **Expand Child Care Access.** We thank the Governor for investing \$6.6 billion to support child care programs, including waiving family fees until September 30, 2023, an 8.22%

COLA increase, and \$169.2 million in federal funding to provide temporary stipends to state-subsidized child care providers. However, the May Revision does not include increase child care provider rates for 2023-24. Providers are struggling to afford basic needs because their rates have not kept pace with minimum wage. We urge our state leaders to invest in both childcare access and the workforce.

## Protect Workforce Development Programs That Support CA's Economy

- Reject Trigger Cuts to the CA Youth Leadership Corps (CYLC). The budget proposes to cut \$20 million from the \$60 million that was promised in last year's budget. If there are sufficient resources, funding will be restored in 2024. The CYLC program would expand earn-and-learn pathways for community college students to prepare youth paid low incomes including youth of color, opportunity youth, and immigrant youth for community change careers in public/community health, clean energy planning/development, leadership, and social change. CYLC works to offer courses that lead to postsecondary credentials, student supports, mentoring, and paid internships. We urge our state leaders to reject this trigger cut and ensure dollars are restored to this critical program for underserved youth who continue to face barriers to workforce opportunities.
- Maintain Investments in the Youth Jobs Corps Program. The budget proposes \$78 million
  to permanently fund the Youth Jobs Corps, a program to create and expand youth
  employment opportunities that provide valuable job skills, public service career
  pathways, and help youth engage with their communities, including providing pathways
  to undocumented youth with work authorization. We urge our state leaders to maintain
  this investment in the final budget.
- Reject Trigger Cuts to the Apprenticeship Innovation Fund. The budget proposes to cut \$40 million to the \$175 million commitment to the Apprenticeship Innovation Fund. The apprenticeship fund would expand non-traditional apprenticeships in the state. We urge our state leaders to reject this trigger cut to secure more earn and learn opportunities for underserved Californians and bolster the state's workforce.
- Maintain the Women in Construction Unit. The May Revision restores \$15 million in 2023-24 and \$15 million in 2024-25 for the Department of Industrial Relation's Women in Construction Priority Unit intended to support women and nonbinary individuals in the skilled trades sector. We urge our state leaders to keep this investment in the final budget.
- Invest in Breaking Barriers to Employment Grants. Although we are grateful for past investments in the Breaking Barriers to Employment program, Californians need ongoing support to access training programs that lead them to family-sustaining jobs. The Breaking Barriers to Employment program provides individuals from underserved communities supplemental, supportive, and wraparound services they need to successfully enter, participate in, and complete workforce and education programs, with the goal of obtaining meaningful and family-sustaining jobs. We urge our state leaders to invest \$30 million in the program to continue serving individuals with significant barriers to employment.

As budget discussions continue in the coming weeks, California must remain a leader in centering equity and economic mobility for all Californians. We look forward to working with the Administration, Legislature, and partners to advance our shared goal of removing systemic barriers and building an inclusive economy for all Californians.

For any questions, please contact Anna Alvarado at aalvarado@caedge.org.

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