



Overview of Final 2021-2022 California State Budget

After almost two months of negotiation, the Governor signed [AB 128](#), the final 2021-22 budget passed by the Legislature. The Governor has not yet signed [SB 129](#), which amends AB 128, and many trailer bills are not yet finalized. **We will update this document as developments unfold.**

As it stands, the budget marks progress for many Western Center priorities, including the expansion of health programs for new parents and undocumented Californians 50+, increased grants for CalWORKs and SSI/SSP recipients, increased funding for legal aid services, and increased investments in tenant protection.

FINANCIAL SECURITY

The state budget increases CalWORKs grants by 5.3 percent on October 1, 2021. Maximum grants by family size now slightly exceed 50 percent of the federal poverty level (FPL). CalWORKs households will also receive a \$640 payment in July 2021 from the TANF Pandemic Emergency Fund. This budget increases the eligibility income disregard from \$90 to \$450 beginning May 2022.

CalWORKs Grants

Family Size	Current Grant	Final Budget/FPL
1	550	579 (53.7)
2	696	733 (51.0)
3	878	925 (51.1)
4	1060	1116 (51.1)
5	1242	1308 (51.1)
6	1424	1499 (51.1)
7	1606	1691 (51.1)
8	1788	1883 (51.4)

The budget increases SSP grants by \$36 a month beginning January 2022, and commits to making a second \$37 payment starting in January 2024. It also eliminates the removal of people receiving the Transitional Nutrition Benefits for failure to fill out recertification paperwork within 30 days of the deadline.

ACCESS TO JUSTICE/ FINES & FEES

The budget increases funding for the [Equal Access Fund](#) (EAF) by \$50 million, for a total funding amount of \$70 million. It also provides \$40 million in funding for eviction prevention with 75% of those funds for organizations that receive EAF.



The budget provisionally repeals civil assessments for those who fail to appear or pay tickets in traffic courts. It also expands the online traffic adjudication pilot program to all counties. Indigent persons using the online tool get a minimum 50% reduction in the total fine amount and cannot pay more than \$25 a month towards the remaining fine.

HEALTH CARE

The Medi-Cal budget has significant investments in eligibility, including elimination of the Medi-Cal [asset test](#) to ensure elders and people with disabilities are not impoverished by health care, expansion of Medi-Cal to all income-eligible adults age 50 and older regardless of immigration status, and Medi-Cal eligibility extension from 60 days to 12 months for all post-pregnancy individuals. Unfortunately, the budget excludes Medi-Cal coverage for undocumented adults ages 26-49 and continuous Medi-Cal coverage for children up to age 5.

Medi-Cal service expansions include addition of doula services, community health workers as a class of providers, continuous glucose monitoring systems for beneficiaries with diabetes, a permanent end to the suspension of certain benefits, and funding for field testing of translated Medi-Cal materials to ensure that documents are understood by the intended audience.

Even with the progress made in the budget, SB 65 (Skinner), the California [Mominibus bill](#), still contains additional provisions to reduce maternal health disparities. AB 470 (Carrillo) will be amended to include any clean-up language for Medi-Cal asset test elimination.

In addition, there is funding for community-based organizations and local public health entities to address health disparities (delayed to July 2022), funding to zero out \$1 Covered California premiums, and funding for the creation of the Health Care Affordability Reserve Fund to allow for future investment in Covered California subsidies.

HOUSING

The biggest success is [AB 832](#), which will provide 100% payments towards arrears for eligible tenants who were unable to pay rent during the pandemic. The U.S Treasury dedicated a total of \$5.2 billion in federal rental relief to support tenants for a total of 18 months. There is an additional \$300 million in the national mortgage settlement funds for homeowners and \$1 billion to the CA Housing Finance Agency for mortgage assistance and principal reductions, as well as an additional \$100 million to expand CalHFA First Time Homebuyer Assistance Program.

There aren't many changes from the [May Revise](#) for housing production. This budget includes:

- \$1.75 billion in one-time general funds to support Housing and Community Development affordable housing projects -- 6,300 projects are currently shovel ready.
- \$81 million in one-time funds to expand CalHFA's Accessory Dwelling Units (ADU) program.



- \$300 million in one-time funds to sustain Housing and Community Development legacy project affordability requirements.
- \$50 million for the Golden State acquisition fund.
- \$45 million in one-time GF to finance low- and moderate-income units.
- Up to \$500 million for Low Income Housing Tax Credits.
- \$50 million for farmworker housing.
- \$500 million in foreclosure intervention and housing preservation.

The budget also includes significant investments in homelessness funding:

- \$2 billion over two years for local jurisdictions to address homelessness.
- \$150-billion in one-time funds for RoomKey program to acquire and rehabilitate more housing facilities.
- \$2.75 billion for Project Homekey using American Rescue Plan Act and GF.
- 50 million in one-time general funds for encampment resolutions services
- \$92.5 million in general funds in both 2021-2022 and 2022-2023 to expand program to provide housing support for eligible families experiencing homelessness in the child welfare system.
- \$50 million invested in the Homesafe program to support access to health, safety, and housing support for elderly people experiencing homelessness or at risk of homelessness.
- \$150 in general funds annually through 2023-2024 for people with disabilities who are experiencing homelessness under the Housing and Disability Advocacy program.
- \$40 million for homeless youth emergency service projects including rapid rehousing, rental assistance, transitional housing up to 36 months, supportive housing, housing navigation, and housing stability.
- \$25 million to the Department of Veterans Affairs that provide supportive services to homeless or at risk of homelessness veterans, for emergency or long-term housing support, among other things.

Finally, the budget includes an investment of \$536,000 to the Department of Fair Housing and Employment to investigate and enforcement civil rights violations.