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The following are proposed solutions in the May Revision to address the budget shortfall that impact California Department of Social Services (CDSS) administered programs that serve children and families.

- **Child Care Slot Expansion Pause at Current Level**— Approximately, 119,000 slots have been added; a pause at the current level until fiscal conditions allow for resuming the expansion will result in savings of \$489 million in 2024-25 and \$951 million in 2025-26.
 - For the California Alternative Payment Program (CAPP), the pause results in a reduction of \$184.1 million General Funds in FY 2024-25, compared to the Governor's Budget estimates for FY 2024-25.
 - For the CCTR or General Child Care program, the pause results in a reduction of \$277.8 million General Funds in FY 2024-25.
- **Reduction to the Emergency Child Care Bridge Program**— The May Revision proposes to reduce the Emergency Child Care Bridge Program by \$34.8 million general fund to more closely align with program expenditures and address the projected budget shortfall.
- **Foster Care Permanent Rate Structure** – The May Revision proposes statutory language that would make the foster care rate structure proposed in the Governor's January Budget subject to a trigger-on, based on the availability of General Fund in spring 2026.
- **Reductions to Housing Programs** – Proposes a reduction of \$80 million from the Bringing Families Home Program.
- **CalWORKs Home Visiting Program** – Proposes reducing \$47.1 million ongoing for the CalWORKs Home Visiting Program.
- **CalWORKs Mental Health and Substance Abuse Services** – Proposes reducing \$126.6 million ongoing for CalWORKs Mental Health and Substance Abuse Services.

The May Revision also includes the following solution related to programs operated by the Department of Health Care Services for the benefit of children and youth:

- **Children and Youth Behavioral Health Initiative** – Proposes reducing \$72.3 million one-time in 2023-24, \$348.6 million in 2024-25, and \$5 million in 2025-26 for school-linked health partnerships and capacity grants for higher education institutions, behavioral health services and supports platform, evidence-based and community-defined grants, public education and change campaign, and youth suicide reporting and crisis response pilot.

Without question, difficult decisions are required to balance the State budget. However, these decisions are necessary to stabilize California's finances. Without them, significant shortfalls are projected to persist.

For further reading on this topic please see the CDSS Foster Rate Reform website: [CDSS Foster Care Rate Reform Proposal](#), and the [2024 May Revision Executive Summary](#).

If you have any questions or require further information, please contact ECPC@dss.ca.gov.