

FISCAL YEAR (FY) 2026-27

STATE BUDGET ADVOCACY ITEMS



COUNTY-SUPPORTED STATE BUDGET ITEMS

Disaster Recovery Rebuild Authority

The Los Angeles County Delegation has submitted a State budget request for \$10 million to support the County's creation of the Los Angeles County Disaster Recovery Rebuild Authority.

The County supports this State Budget request as it will accelerate recovery for residents and businesses affected by the January 2025 wildfires.

Funding Investment for California's Public Hospital Systems

The California Association of Public Hospitals and Health Systems (CAPH) requests an annual \$500 million appropriation in State General Funds (SGF) to replace the Nursing Facilities of Medicaid fee-for-service payments for inpatient services currently financed by public hospital systems.

The County supports the CAPH proposal because, without the investment from the State, California's public hospital systems will be unable to sustain current care levels.



COUNTY-SUPPORTED STATE BUDGET ITEMS (CONT.)

[Public Health Information Technology \(IT\) Systems Funding](#)

The County Health Executives Association of California is requesting \$97.6 million in one-time funding to sustain the California Department of Public Health IT systems.

The County supports this proposal because it would preserve critical State public health IT systems that the County relies on.

[Emergency Response \(ER\) Enhancement Services](#)

The County Welfare Directors Association (CWDA) requests \$20 million in FY 2026-27 to sustain ER stabilization efforts statewide and preserve front-end prevention capacity during implementation of H.R. 1.

The County supports CWDA's State budget request as it would help maintain child safety and prevention capacity.

[In-Home Supportive Services \(IHSS\) Community First Choice Option \(CFCO\) Penalties](#)

The CWDA is proposing trailer bill language (TBL) for the 2026 State Budget Act to preserve the current 50 percent State/50 percent County cost split.

The County supports CWDA's proposal to include CFCO TBL in the 2026 State Budget Act, which would protect IHSS consumers and ensure equitable access to critical services.



COUNTY-SUPPORTED STATE BUDGET ITEMS (CONT.)

[Child Support Local Assistance](#)

The Governor's Proposed January Budget proposes a \$16.6 million increase (\$6 million in SGF and \$10.6 million in federal funds) in FY 2026-27.

The County supports this proposal, as the Child Support Services Department estimates that it would receive approximately \$9.6 million.

[Bringing Families Home \(BFH\) Program](#)

The 2025 State Budget Act provided one-time funding of \$81 million in SGF in FY 2025-26.

The County supports the proposal to extend funding for the BFH program beyond FY 2025-26, as this would help maintain housing stability for child welfare-involved families in the County.

[Trauma Recovery Centers](#)

The National Alliance of Trauma Recovery Centers (NATRC) is requesting \$34 million in ongoing SGF to provide services to survivors of violence at the 20 existing Trauma Recovery Centers in California.

The County supports the NATRC request, as it would help provide services for survivors of violence who do not get proper attention through traditional victim services.



COUNTY-SUPPORTED STATE BUDGET ITEMS (CONT.)

Homeless Housing, Assistance and Prevention (HHAP) Program

The California State Association of Counties, the California Big City Mayors Coalition, the League of California Cities, and Bring California Home are requesting an increase to HHAP Round 7 to prior funding levels of \$1 billion and an ongoing State appropriation of \$1 billion for the program.

The County supports this State Budget request, as it would prevent the reduction or elimination of housing and homeless services currently supported by HHAP and provide local agencies with a stable source of funding to address homelessness.

Small Business Resiliency and Innovation Act

AB 685 (Solache), as amended on January 12, 2026, would appropriate \$26 million from the SGF to a new Small Business Resiliency and Innovation Fund administered by the Office of the Small Business Advocate. The County supports AB 685 as it would support small business stabilization and inclusive economic growth.



COUNTY-SUPPORTED STATE BUDGET ITEMS (CONT.)

Flexible Family Supports, Two Year Extension

The CWDA requests a two-year extension of Flexible Family Supports funding beyond June 30, 2026, to maintain the current momentum of concrete supports to foster children, youth, and their caregivers, while the State and counties work to implement the Tiered Rate Structure, which will implement on or after July 1, 2027. The County supports CWDA's State budget request as it would help address immediate, concrete barriers to promote placement stability and support placements with relatives and other family-based caregivers.

AIDS Drug Assistance Program (ADAP) Rebate Funds for Disease Intervention Specialist (DIS) Workforce

The County Health Executives Association of California (CHEAC) is requesting \$18.6 million in ADAP Rebate Funds in FY 2026-27 to support the California Department of Public Health (CDPH) DIS Workforce program for local health departments.

The County supports this State Budget request as it would help prevent the loss of critical communicable disease capacity and personnel.



COUNTY-SUPPORTED STATE BUDGET ITEMS (CONT.)

[ADAP Rebate Fund Trailer Bill Language and Investments](#)

The End the Epidemics (ETE) Coalition is requesting trailer bill language, authorizing CDPH to continue using dollars from the ADAP Rebate Fund to replace delayed, reduced, or eliminated HIV-related federal funding for State and local agencies and community-based organizations; and \$143 million in ADAP Rebate Fund and Opioid Settlement Fund investments in FY 2026-27, for eight initiatives.

The County supports this proposal to help prevent reductions in and cancellations of critical HIV/AIDS programming in the County.

[Jails to Jobs Pilot Program](#)

Assemblymember Tina McKinnor is requesting \$40 million in State funds over three years to develop an employment training and case management pilot program in Los Angeles County and the counties of San Bernardino, San Joaquin, and Santa Clara for the Jails to Jobs (J2J) Pilot Program.

The County supports this funding request as it is consistent with the Board-adopted April 1, 2025, [motion](#) to support a funding request for the J2J pilot program and with existing policy to support policies that increase funding for adults involved in the justice system, with an emphasis on care, development, alternatives to incarceration, community-based violence prevention, and community reintegration pathways.



COUNTY-SUPPORTED STATE BUDGET ITEMS (CONT.)

Child Care Infrastructure for Communities Impacted by the Fires

The Governor's January Proposed Budget (Proposed Budget) proposes \$11.5 million in one-time Proposition 64 funding for child care infrastructure, specifically targeted for communities impacted by the 2025 wildfires.

The County supports this proposal because it would provide much-needed resources for child care facilities to reopen in the fire impacted communities.

The California Nutrition Incentive Program (CNIP)

The Ecology Center is requesting \$20 million for FY 2026-27, \$30 million for FY 2027-28, \$50 million for FY 2028-29, and ongoing funding for CNIP.

The County supports this funding request, which would improve food access and nutrition among CalFresh and WIC recipients in the County.



COUNTY-SUPPORTED STATE BUDGET ITEMS (CONT.)

Funding to Stabilize Foster Family Agencies (FFAs)

Assemblymember Ramos and Senator Durazo have submitted a \$30 million State budget request, sponsored by the California Alliance of Child and Family Services (CA Alliance), to help stabilize the more than 200 FFAs serving over 6,500 foster youth across California. The County supports this State budget request as it would provide necessary short-term relief while the Legislature and Administration advance long-term solutions to the insurance crisis to ensure continuous placement stability for children.

State Air Resources Board: Regional Air Quality Incident Response Program

AB 2349 (Solache) would require the California Air Resources Board (CARB) to expand its incident air monitoring program to provide support for a regional network of air quality incident response centers operated by local Air Quality Management Districts (AQMDs), including at least one air quality incident response and evaluation center located at the South Coast Air Quality Management District. Assemblymember Solache has submitted an associated \$5 million State funding request to implement this bill. The County supports AB 2349 and the associated State budget request, as it would improve regional air quality early warning systems and real time monitoring of incidents.



COUNTY-SUPPORTED STATE BUDGET ITEMS (CONT.)

[Workers' Compensation: Subsequent Injuries Benefits Trust Fund \(SIBTF\)-Budget Trailer Bill \(BTB\)](#)

The SIBTF BTB, as amended on February 2, 2026, would streamline and reform how the SIBTF is administered by addressing application backlogs, clarifying eligibility, and improving payment processes for injured workers with pre-existing disabilities. Additionally, this bill also addresses the fiscal crisis that the SIBTF currently faces and realigns it with its original intent.

The County supports the Administration's BTB as it would help address the SIBTF's financial crisis and realign the SIBTF with its original intent.



COUNTY-OPPOSED STATE BUDGET ITEMS

Restrictions on Immigrant Eligibility for Full-Scope Medi-Cal

The Governor's Proposed January Budget proposes transitioning individuals impacted by the federal eligibility change for qualified non-citizens from full-scope Medi-Cal to restricted-scope Medi-Cal, effective October 1, 2026.

The County is opposing this proposal as restricting full-scope Medi-Cal coverage for immigrant communities would result in County residents losing access to critical care and services.

Community-Based Mobile Crisis Intervention Services

The Governor's Proposed January Budget proposes to shift the Medi-Cal Community-Based Mobile Crisis Intervention Services benefit from a statewide mandatory Medi-Cal benefit to a county-optional benefit.

The County opposes this proposal, as shifting this benefit from a statewide mandatory Medi-Cal benefit to a county-optional benefit would pose a significant risk to ensuring that individuals in need have access to comprehensive behavioral health crisis response services.



COUNTY-OPPOSED STATE BUDGET ITEMS (CONT.)

IHSS Growth Cost Shift to Counties

The Governor's Proposed January Budget proposes a reduction of \$233.6 million in SGF by removing the State's share of cost associated with the growth in IHSS hours per case and shifting those costs to counties beginning in FY 2027-28.

The County opposes the proposed State budget reduction, which would negatively impact the IHSS program and the broader health and human services programs that the County administers.

Elimination of the IHSS Back-up Provider System

The Governor's Proposed January Budget proposes to reduce \$3.5 million in SGF in FY 2026-27 and ongoing, eliminating the IHSS Back-Up Provider System.

The County is opposing the proposed State budget reduction, which would eliminate the program and jeopardize the safety of IHSS recipients.



COUNTY-OPPOSED STATE BUDGET ITEMS (CONT.)

[Auto-termination of IHSS When Medi-Cal is Discontinued](#)

The Governor's Proposed January Budget proposes to automate the termination of IHSS to align with the discontinuance of Medi-Cal. The County opposes the proposed State budget proposal to automate the termination of IHSS, which would create gaps in essential care for individuals who cannot safely be left without assistance, increasing the likelihood of hospitalization or institutional placement.

[Cuts to Pretrial Release Program](#)

The Governor's Proposed January Budget makes no changes to the ongoing \$20 million reduction to the Judicial Branch's Pretrial Release Program enacted in the 2025 State Budget Act.

The County is opposing the ongoing cuts to Pretrial Release because they could reduce funding for County services for clients.



OTHER ADVOCACY

[Work and Community Engagement Requirement Implementation](#)

The Governor's Proposed January Budget proposes a \$373 million reduction by FY 2029-30, due to the new work and community engagement requirements for the Affordable Care Act adult expansion population, effective January 1, 2027.

As a result, the County is advocating for the State in developing its regulations around community engagement to develop and implement, in coordination with counties, the most streamlined work-requirement exemption process possible.