

## 2025 SPONSORED LEGISLATIVE AND BUDGET PRIORITIES

### ➤ [BUDGET REQUEST]: Additional \$10M Free Tax Preparation & Education/Outreach

**Co-Sponsors:** The Prosper CA Coalition, GRACE/End Child Poverty, and Golden State Opportunity

**Summary:** Funding for the Free Tax Preparation Assistance (FTP), Education and Outreach grant program was cut from \$20 million to \$12 million in the 2025 state budget, which decimated vital funding for culturally competent, community-based organizations who help Californians with low to moderate incomes file their taxes and apply for Individual Taxpayer Identification Numbers (ITIN) for free. This budget request is for an additional \$10 million ongoing for FTP and Education & Outreach programs.

**Cost:** \$10 million ongoing

### ➤ **AB 398 (Ahrens): Establish \$300 CalEITC Minimum** **CO-SPONSOR**

**Co-Sponsors:** The Prosper CA Coalition, GRACE/End Child Poverty, Golden State Opportunity

**Summary:** This bill would permanently increase the minimum amount eligible recipients receive from the California Earned Income Tax Credit (CalEITC) from its current minimum of \$1 to at least \$300. This would make the credit more meaningful for recipients and would incentivize more eligible Californians to file their taxes. Establishing a minimum credit would also ease an administrative burden for the Franchise Tax Board by simplifying communications about the minimum amount eligible filers can expect to receive. When fully implemented, the bill would benefit approximately 3 million Californians: 500,000 workers with dependents and ~2.5 million workers without dependents.

**Cost:** \$180 million in fiscal year (FY) 2025-26, \$260 million in FY 2026-27, and \$400 million in FY 2027-28

### ➤ **AB 397 (M. González): Expand the Young Child Tax Credit** **CO-SPONSOR**

**Co-Sponsors:** The Prosper CA Coalition, GRACE/End Child Poverty, and Golden State Opportunity

**Summary:** This bill would expand eligibility for the Young Child Tax Credit (YCTC) to all CalEITC-eligible households; particularly for families with children ages 6-18, children ages 19-23 who are students, and children of any age with permanent and total disabilities. Following the expiration of an expanded federal Child Tax Credit (CTC), expanding the YCTC to all Cal-EITC-eligible families is an effective state investment targeted to reduce inequities that the expired federal CTC has created.

**Cost:** \$220 million in fiscal year (FY) 2025-26, \$370 million in FY 2026-27, and \$550 million in FY 2027-28

### ➤ [BUDGET REQUEST: Sen. Ochoa Bogh, Asm. TBA] \$20M FOR 211 SERVICES **CO-SPONSOR**

**Co-Sponsors:** 211 California, Inland SoCal United Way, United Ways of California

**Summary:** 211 is a free information and referral service, federally designated for use connecting people to vetted community services and trusted information. 211 is also the disaster public information and resource line, supporting disaster preparedness, response, and recovery efforts for every type and scale of disaster. Bolstered investments in 211 are needed in response to the growing reliance the state has on this critical community service, including disaster response and recovery.

**Cost:** \$20 million in fiscal year (FY) 2025-26, one-time funding from the General Fund