

FROM: THE CALIFORNIA FACULTY ASSOCIATION  
cfa@calfac.org - <http://www.calfac.org>

## CFA HEADLINES

January 6, 2012 - SPECIAL EDITION FROM CFA

### Governor Unveils 2012/13 Budget Proposal

#### **Brown's Plan Includes a Tax Initiative, Massive Cuts & Continued Hardship for the CSU**

In a surprise turn, Gov. Jerry Brown unveiled his budget proposal for the 2012/13 fiscal year Thursday rather than next week as had been previously announced.

Brown framed his \$92.6 billion spending plan as an either-or decision dependent on his \$6.9 billion initiative to increase taxes on sales and the wealthy.

The governor's budget blueprint includes major reductions in a number of critical areas, especially support for low- and middle-income Californians who need health coverage or child care, help in moving from welfare to work, or help financing a college education.

The governor's 2012/13 budget proposal can be viewed in its entirety at [www.ebudget.ca.gov](http://www.ebudget.ca.gov)

The plan includes no immediate cuts to the CSU but does include a \$200 million "trigger cut" should the tax initiative fail, as well as a number of other funding "shifts" affecting how money is allocated to the CSU that will need further careful examination. The Governor's allocation to the CSU's base budget comes on the heels of a \$750 million reduction in enacted in 2011.

CFA President Lillian Taiz, a professor of history at CSU Los Angeles, released the following statement this morning in regard to the Governor's budget plan:

*"We agree with the governor, that any effort to put the state's fiscal house in order must include new revenue. We welcome all serious efforts finally to address our state's problems by restoring revenue; as a state we must pay for the public institutions and programs that make California great.*

*"While the budget proposal released by the Governor Thursday appears to contain no immediate cuts to the California State University, the proposal includes new shifts in costs that will ultimately create a bigger hole in the public university's already stressed budget.*

*"After years of persistent funding cuts, and measures taken by the university's management that focus the cuts on classes and students, we are running out of options.*

*"If this budget comes to fruition, an entire generation of CSU Students will be forced to bear the burden of our state's continued disinvestment in public higher education.*

*“The plan released yesterday is just the opening salvo in the state budget process. We look forward to working with the Assembly Speaker, Senate Pro Tem and members of the legislature over the coming months to ensure the needed financial support to keep our institutions public university affordable and accessible while providing the quality higher education that has made our state great.”*

## **Details of the Governor’s Proposed Cuts**

The governor's budget again takes aim at key anti-poverty programs, including CalWORKs, Medi-Cal and supportive services for homebound elderly and the disabled.

- CalWORKs would see a cut of \$1.1 billion, in large part by creating the first 24-month limit on cash benefits for parents who do not meet work requirements.
- Parents whose aid is cut off after two years would still receive benefits for their children, but those kids would see their monthly checks cut from \$463 to \$392.
- Hundreds of thousands of developmentally delayed, homebound elderly and disabled California residents would also see another round of reduced cuts to services.
- Brown's plan to close one quarter of the state parks system -- 70 of 280 parks -- by July 1 remained intact. He's also calling for 20 percent of state park rangers and all seasonal lifeguards to be laid off, saving a total of \$8.7 million, if voters do not approve his proposed taxes in November.
- The plan suggests purging the state of 39 departments, offices, boards and commissions and wiping out nine state programs.
- Brown proposes reducing the state's workforce by some 3,000 positions, mostly from the Department of Corrections and Rehabilitation.

## **Details of the Governor’s Tax Initiative**

Brown called for a budget that assumes passage of a tax measure he plans to take to voters in November. The governor says passage of the measure would wipe out a \$9.2 billion deficit through mid-2013 and give schools \$4.9 billion more than this fiscal year.

The proposed initiative – which he hopes to place on the November ballot – would boost income taxes on those earning at least \$250,000 and raise levies on sales to 7.75 percent from 7.25 percent, to erase the state's \$13 billion budget deficit.

If voters reject the taxes, new cuts of \$5.4 billion – including \$200 million to the CSU – would be triggered, on top of the \$4.2 billion in cuts that Brown has proposed for K-12. Those potential cuts could reduce the school year by three weeks.

\* \* \*

Join CFA’s social network on Facebook at: [www.facebook.com/californiafacultyvassociation](http://www.facebook.com/californiafacultyvassociation)

For the latest news, follow CFA on Twitter at: [www.twitter.com/CFA\\_News](http://www.twitter.com/CFA_News)

See CFA and other great video on: [www.youtube.com/CFALocal1983](http://www.youtube.com/CFALocal1983)