



CALIFORNIA BUDGET PROJECT

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IMPROVING THE TRANSPARENCY OF CALIFORNIA'S BUDGET

Making the State's Most Important Document Open to Everyone

SACRAMENTO – California could do more to improve the transparency of its state budget and the openness of the budget process, according to a new report by the California Budget Project (CBP), a nonpartisan public policy research group.

A Budget for All Californians: Improving the Transparency and Accountability of the State Budget uses a scorecard to rate the availability, understandability, and detail of information in the state budget; the openness of the budget process to the public; and the level of analysis that is available to put budget proposals into context. Overall, California's budget received a score of three out of five stars, but the report shows that the state could do more to encourage public participation and improve transparency.

"The budget affects every Californian, so it should be accessible to every Californian, not just a select group of insiders," said Jean Ross, executive director of the California Budget Project. "In this era of term limits, it's also vital that there be enough information so that lawmakers can make informed, long-term decisions, and the public can hold them accountable for those decisions."

The report makes the following recommendations to improve the transparency of California's budget:

- **Improve the Budget Document:** Encourage long-term thinking about the consequences of budget decisions by providing multiyear revenue and spending projections for bills that affect the budget.
- **Increase Public Participation:** Encourage participation by publishing agendas and meeting times for budget conference committee hearings.
- **Improve the Budget Process:** Publish a comprehensive tax expenditure report to be reviewed every year with the budget, so that lawmakers and the public can evaluate the cost of tax credits and other expenditures, which represent a large revenue loss to the state each year.

In one area, California's budget scored high points for its transparency and openness. California earned five out of five stars for the availability of budget and tax information through the Internet.

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Note: Copies of the report are available at www.cbp.org/2006/0605_budgettransparency.pdf for reporters who agree to honor the embargo until Thursday morning. At 11:00 a.m. today, the CBP will hold an audio press conference on the report for the media only. The call-in number is 1-877-270-2156 and the password is "sunshine."

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The California Budget Project (CBP) was founded in 1994 to provide Californians with a source of timely, objective, and accessible expertise on state fiscal and economic policy issues. The CBP engages in independent fiscal and policy analysis and public education with the goal of improving public policies affecting the economic and social well-being of low- and middle-income Californians. General operating support for the CBP is provided by foundation grants, individual donations, and subscriptions. Please visit the CBP's web site at www.cbp.org.