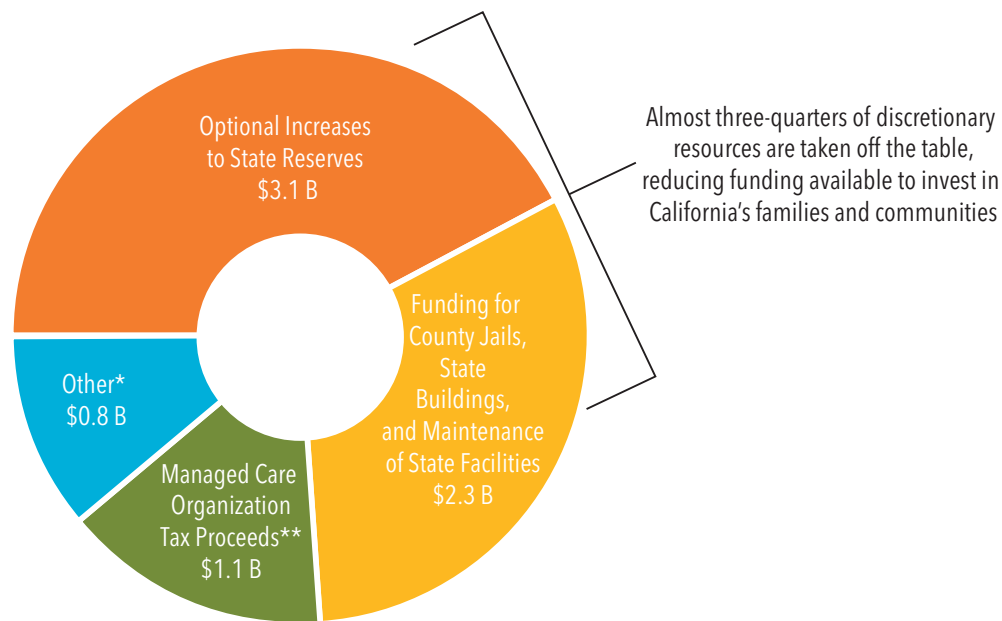




JANUARY 2016 | BY ALISSA ANDERSON

## Governor's Proposed Budget Misses Opportunity to Make Critical Investments in Families and Communities

Governor's Allocation of \$7.3 Billion in Discretionary General Fund Resources in 2016-17



\* Includes funds set aside for state worker salary increases, as well as increases for the CSU and UC, California Department of Corrections and Rehabilitation, courts, SSI/SSP grants, and the Department of Developmental Services.

\*\* Considered discretionary because these proceeds are not proposed for any particular purpose.

Note: Excludes constitutionally required spending, reserves, and debt payments; added costs to maintain existing policies; and some smaller spending proposals.

Source: Legislative Analyst's Office

● **California has an opportunity to invest so that more people can advance.** General Fund revenues are projected to be billions of dollars higher than previously assumed and could be used to expand economic security and opportunity at a time when millions struggle to get ahead.

● **However, the Governor takes most discretionary revenues off the table rather than investing in the foundations of shared prosperity.**

The Governor proposes directing about *three-quarters* of these resources to increasing reserves far more than required, renovating and maintaining state buildings and facilities, and constructing county jails.

● **Budget choices could pave the way for more broadly shared economic growth.** Significant discretionary revenues could be used instead to invest in child care and preschool, strengthen welfare-to-work, address California's lack of affordable housing, and make other critical investments in families and communities.

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