

July 31, 2003

**California Budget Update:**

**LOCKED DOWN ASSEMBLY APPROVES SENATE BUDGET BILL, SENDS IT TO GOVERNOR**

After hours of quarreling, the State Assembly was locked in an all night session by Speaker Herb Wesson, and on the afternoon of July 29<sup>th</sup> tired members finally approved the Senate's version of the state Budget. Some changes (adding \$ 300 million back for programs, mostly to suit Republican member requests) will be added to trailer bills following the Budget, though the Senate must still agree to them. Meanwhile, the Budget bill has now gone to the Governor's desk.

There are no changes in youth crime and violence prevention program items from the Senate version approved Sunday July 27<sup>th</sup>. The budget bill sent by the Assembly to the Governor keeps Schiff Cardenas funding at \$ 100 million for FY 03-04, maintains After School funds at the Governors May Revision level of \$ 121.5 million and defers school safety grants (all \$ 82 million) for one year. The Assembly did agree to restore some law enforcement cuts made in the Senate—including \$ 18.5 million for rural sheriffs and local training funds for the Board of Corrections. These amendments, subject to Senate concurrence, will be addressed in August in follow-up bills.

The Governor has already announced his intention to sign this Budget, but he still has the opportunity to "reduce or eliminate" specific program appropriations (i.e., "blue pencil" vetoes). Davis is now evaluating the Budget bill and is expected to sign by the end of the week. We will keep you posted on developments.