



**California State Association of Counties**  
**1100 K Street, Suite 101**  
**Sacramento, CA 95814**  
**(916) 327-7500**

---

---

**FOR IMMEDIATE RELEASE**

January 8, 2010

Contact: Paul McIntosh, CSAC Executive Director, 916/327-7500, ext. 506

## **California Counties: Governor's Budget Plan Like Watching "Groundhog Day"**

***Proposal Based on Unrealistic Assumptions, Significant Risks and Cost Shifts***

Sacramento – The Governor's proposed 2010-11 state budget released today is based on unrealistic assumptions, significant risks and cost shifts to counties, according to the California State Association of Counties (CSAC).

"This plan is a retread budget, not a reform budget," said Tony Oliveira, CSAC President and Kings County Supervisor. "Unfortunately, it's based on a number of failed ideas taken from past years."

The budget proposal will blow a huge hole in an already frayed safety net, said Paul McIntosh, CSAC Executive Director. "There are recommendations to cut more than \$2.9 billion from social service programs. This action alone will further push families into poverty, putting them in a dire situation from which they may never recover. That's not the California Dream."

Elimination of these programs will, in turn, impact other areas as well, including our criminal justice system, the homeless population and counties' general assistance roles, McIntosh said.

The proposal to rely on \$6.9 billion in additional funds from the federal government has county officials very concerned. If the Governor's attempts to secure these funds fail, critical programs will be eliminated. "The Governor is holding vital social programs – and the people they serve -- hostage," McIntosh said. "It's a risky gamble to balance the health and safety of millions of Californians on a Hail Mary to the federal government."

CSAC officials called the Governor's proposed spending plan a "job killer." At a time when the Governor is calling for the creation of new jobs, the budget plan could eliminate hundreds of thousands of jobs that provide vital services to the sick and disabled. Elimination of the IHSS and CalWORKs programs alone would put nearly 450,000 Californians out of work.

"Instead of the 'jobs, jobs, jobs' the Governor talked about in his State of the State address, it's no jobs, no jobs, no jobs," comment McIntosh.

The Governor's plan will also reduce future jobs tied to transportation projects. CSAC officials are concerned that the alternative funding proposal for transportation will impact the system

long term. While appreciating that the budget plan does not call for the reduction in revenues for local streets and roads, counties point out that it will eliminate the sales tax on gas, a source of future revenue growth.

“The state will be trading a revenue source that is projected to increase with one that is projected to decrease,” Oliveira said. “This budget maneuver will hinder future investment in California’s transportation system.”

“While there is little to like about this budget, California counties are strongly supportive of assuring that California gets every dollar from the federal government for delivering essential services. We look forward to working with our state and federal partners in furthering this goal,” Oliveira said.

The Governor’s proposal also includes cost shifts for counties. For example, it calls for a savings of \$291.6 million by sending certain felony offenders to county jails rather than prison. Jails in many of California’s 58 counties are already overcrowded, and 32 are operating under a population cap.

“The Governor’s theme this week has been teamwork and fairness. This budget does nothing but undermine the partnership the state has with California Counties and the 38 million people we serve,” McIntosh said.

*The California State Association of Counties (CSAC) is the voice of California’s 58 counties at the state and federal level. The Association’s long-term objective is to significantly improve the fiscal health of all California counties – from Alpine County with a little more than 1,200 people to Los Angeles County with more than 10 million – so they can adequately meet the demand for vital public programs and services. CSAC also places a strong emphasis on educating the public about the value and need for county programs and services.*

###