



Updated March 16, 2011

## Back to the Future: How Do the Budget Plans Compare?

On March 3, a two-house Budget Conference Committee composed of five Assemblymembers and five state Senators approved a 2011-12 spending plan that aims to close a \$26.6 billion budget gap. The budget package – which passed on a party-line vote with Democrats voting yes and Republicans voting no – is expected to be taken up by the full Assembly and Senate this week.

The Conference Committee's plan embraces the Governor's balanced approach to closing the budget gap by adopting \$12.6 billion in spending "solutions," \$12.0 billion in revenue solutions, and \$3.2 billion in other solutions, leaving a \$1.1 billion reserve. The plan assumes a June statewide special election at which voters would be asked to extend temporary taxes for five years. Revenues from two of the tax extensions would be allocated to counties to fund a range of services that would be "realigned" – or transferred – from the state to local governments. In addition, the Conference Committee adopted the Governor's proposals to eliminate redevelopment agencies and enterprise zones.

The following table compares key differences among the budget plans proposed by the Governor, Assembly, Senate, and Conference Committee. In some instances, the table includes significant issues where the Legislature adopted the Governor's proposals. Details are drawn from Conference Committee reports, bills that are part of the 2011-12 budget package, and other legislative documents. Please check the CBP's website at [www.cbp.org](http://www.cbp.org) for updates as more information becomes available.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Overview</b>					
Expenditure reductions	\$12.8 billion	\$12.7 billion	\$12.7 billion	\$12.6 billion	The Governor's proposal reflects \$266.8 million in additional expenditure reductions proposed in February 2011 to partially make up for \$1.2 billion in revenues that will not materialize due to the cancellation of the proposed sale-leaseback of 11 state buildings.
Revenues	\$12.0 billion	\$12.0 billion	\$12.0 billion	\$12.0 billion	
Other solutions	\$2.8 billion	\$2.2 billion	\$3.0 billion	\$3.2 billion	The Governor's proposal reflects \$905.5 million in special fund loans and transfers proposed in February 2011 to partially make up for \$1.2 billion in revenues that will not materialize due to the cancellation of the proposed sale-leaseback of 11 state buildings.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Overview</b>					
2011-12 budgeted reserve	\$1.0 billion	\$0.3 billion	\$1.0 billion	\$1.1 billion	
<b>Temporary Tax Increases</b>					
Personal income tax	Extends the 0.25 percentage point personal income tax rate surcharge through 2015, which would increase revenues by an estimated \$1.187 billion in 2010-11 and \$2.077 billion in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	The prior personal income tax rate surcharge sunset at the end of 2010.  The temporary tax increases would be submitted to the voters for approval at a special election in June 2011.
Dependent tax credit	Reduces the dependent tax credit to the amount of the personal tax credit through 2015, which would increase revenues by an estimated \$725 million in 2010-11 and \$1.248 billion in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	The prior reduction in the dependent credit sunset at the end of 2010.  The temporary tax increases would be submitted to the voters for approval at a special election in June 2011.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Temporary Tax Increases</b>					
Sales and use tax	Extends the 1 percentage point increase in the state sales and use tax rate through June 30, 2016, which would increase revenues by an estimated \$4.549 billion in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	Revenues raised through the proposed extension would be transferred to counties as part of the "realignment" of program responsibilities.  The temporary tax increases would be submitted to the voters for approval at a special election in June 2011.
Vehicle License Fee (VLF)	Extends the 0.5 percentage point increase in the VLF rate through June 30, 2016, which would increase revenues by an estimated \$1.382 billion in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	Revenues raised through the proposed extension would be transferred to counties as part of the "realignment" of program responsibilities.  The temporary tax increases would be submitted to the voters for approval at a special election in June 2011.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Permanent Tax Increases</b>					
Mandatory single sales factor (SSF) apportionment	Modifies current law to require most corporations to use a single formula for determining the share of their profits that would be taxed in California. The shift would increase revenues by an estimated \$468 million in 2010-11 and \$942 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	<p>Legislation approved in February 2009 allowed multi-state and multinational corporations to choose between two methods for determining the share of their profits that would be taxed in California beginning in 2011.</p> <p>Corporations, as a whole, would still pay lower taxes than under the pre-2009 law.</p>
Enterprise Zone (EZ) Program	Eliminates the EZ Program and related tax breaks for savings of \$924 million in 2010-11 and 2011-12 and more than \$600 million per year thereafter.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Local Economic Development</b>					
Redevelopment Agencies (RDAs)	Eliminates RDAs by July 1, 2011 and proposes to use \$5.2 billion in 2011-12 "tax increment" revenues to repay redevelopment agency debt (\$2.2 billion), provide pass-through payments to schools and local agencies (\$1.1 billion), offset state costs for Medi-Cal and trial courts (\$1.7 billion), and make payments to local governments (\$210 million).	Adopts \$1.7 billion in savings to offset state costs; however, suggests that the final budget agreement may achieve that savings through "reform in lieu of elimination" of RDAs.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	In future years, under the Governor's proposal, property tax increment revenues would be allocated to schools and local governments and would repay redevelopment agency debt. The additional property tax revenues that would go to schools would augment existing school funding, rather than count against the Proposition 98 guarantee.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Realignment</b>					
Programs proposed to be transferred to counties in 2011-12	Proposes to transfer all state-funded substance use treatment programs; all child welfare system costs, including Child Welfare Services, Foster Care, Adoptions, and Adoptions Assistance; Adult Protective Services; court security costs; and a range of public safety grant programs, including the Citizens' Option for Public Safety (COPS) Program and juvenile justice grant programs.	Adopts the Governor's proposed realignment framework, subject to further consideration in Conference Committee.	Adopts the Governor's proposed realignment framework, subject to further consideration in Conference Committee.	Adopts the Governor's proposed realignment framework along with initial implementation language, with the understanding that remaining details "will be determined through future Legislative deliberations."	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Realignment</b>					
Programs proposed to be transferred to counties in 2012-13	Proposes to transfer the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) Program; Mental Health Managed Care (MHMC); and AB 3632 state-mandated mental health services for special education students. In addition, proposes to fund existing community mental health programs from the proposed realignment revenues.	Adopts the Governor's proposed realignment framework, subject to further consideration in Conference Committee.	Adopts the Governor's proposed realignment framework, subject to further consideration in Conference Committee.	Adopts the Governor's proposed realignment framework along with initial implementation language, with the understanding that remaining details "will be determined through future Legislative deliberations."	Under the Governor's proposal, EPSDT, MHMC, and AB 3632 mental health services would temporarily be funded in 2011-12 with \$861 million in revenues raised by Proposition 63 of 2004.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Realignment</b>					
Program transfers proposed to be phased in between 2011-12 and 2014-15	Proposes to gradually transfer responsibility for lower-level offenders and parole violators; adult parole; and juvenile offenders who are currently supervised by the state. In addition, proposes to shift responsibility for fire protection and emergency response in relatively populated wildland areas to local governments.	Adopts the Governor's proposed realignment framework, subject to further consideration in Conference Committee.	Adopts the Governor's proposed realignment framework, subject to further consideration in Conference Committee.	Adopts the Governor's proposed realignment framework along with initial implementation language, with the understanding that remaining details "will be determined through future Legislative deliberations."	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Realignment</b>					
Financing	<p>Proposes to place a measure on a June 2011 special election ballot asking voters to extend – for five years – two temporary taxes that expire on June 30, 2011: the 0.5 percentage point increase in the Vehicle License Fee rate and the 1 percentage point increase in the sales tax rate.</p> <p>Extending these taxes would raise an estimated \$5.9 billion in 2011-12, increasing to \$7.3 billion in 2014-15. These revenues would be allocated to counties to fund the realigned programs. These programs would be funded with state General Fund dollars after the tax extensions expire in 2016.</p>	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Health</b>					
Proposition 10/First 5 commissions	Shifts \$1 billion in Proposition 10 reserve funds on a one-time basis to pay for Medi-Cal services for children up to age 5 in 2011-12. Shifts half of state and local First 5 commissions' future Proposition 10 revenues to the state on an ongoing basis.	Adopts a one-time diversion of \$1 billion in Proposition 10 reserves to the Medi-Cal Program in 2011-12. Eliminates the state First 5 commission for annual savings of \$89 million. Rejects the Governor's proposal to shift half of local First 5 commissions' future Proposition 10 revenues to the state on an ongoing basis.	Adopts a one-time diversion of \$1 billion in Proposition 10 reserves to the Medi-Cal Program in 2011-12. Rejects the Governor's proposal to shift half of local First 5 commissions' future Proposition 10 revenues to the state on an ongoing basis.	Adopts the Senate's action.	<p>First 5 supports a range of programs for children from birth to age 5 using funds provided by a 50-cent-per-pack state tax on cigarettes imposed by Proposition 10 of 1998.</p> <p>The Conference Committee's action assumes that the one-time diversion of Proposition 10 funds can be approved by a two-thirds vote of the Legislature and does not require a vote of the people.</p>

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Health</b>					
Proposition 63/mental health services	Diverts \$861.2 million in Proposition 63 funds from counties to state mental health programs in 2011-12. Shifted funds would be used for Mental Health Managed Care, the Early and Periodic Screening, Diagnosis and Treatment Program, and AB 3632 mental health services for special education students.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	<p>Proposition 63 of 2004 imposed a 1 percent tax on the portion of individuals' taxable income that exceeds \$1 million to provide dedicated funding for mental health services.</p> <p>The Legislative Analyst's Office has questioned whether the Governor's proposal would require voter approval.</p>

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Health</b>					
Maddy Emergency Medical Services Fund	No proposal.	No proposal.	No proposal.	Requires counties to collect an additional \$2 for every \$10 in fines and penalties and diverts most of these funds, effective July 1, 2011, to the state to support the Medi-Cal Program for estimated state savings of \$55 million.	Since 2006, counties have been allowed to collect an additional \$2 for every \$10 in fines and penalties to support emergency medical services and pediatric trauma services. At least 49 counties currently collect these additional penalties. Under the Conference Committee's action, local governments would retain a maximum of \$9 million annually for pediatric trauma and emergency services.
Limits on Medi-Cal services and coverage	Caps prescription drugs at six per month and establishes dollar caps for medical supplies, including durable medical equipment, hearing aids, and other supplies for state savings of \$20.9 million in 2011-12.	Adopts the Governor's proposal to cap annual hearing aid expenses at \$1,510 per enrollee, effective October 1, 2011, for state savings of \$507,000.	Same as Assembly.	Reflects the Assembly and Senate actions.	The Governor's proposed limits on services and coverage would require federal approval.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Health</b>					
Limits on physician or clinic visits	Caps physician or clinic visits at 10 per year for state savings of \$196.5 million in 2011-12.	Rejects the Governor's proposal.	Rejects the Governor's proposal.	Adopts a "soft cap" of seven office visits per year, effective October 1, 2011, for state savings of \$44.9 million.	Under the Conference Committee action, patients requiring more than seven annual visits would need a physician to certify that services are medically necessary. The savings estimate assumes that 15 percent of visits above the soft cap would not be certified.
Mandatory Medi-Cal copayments	Imposes copayments ranging from \$3 for generic prescription drugs to \$100 per day for hospital stays, for state savings of \$4 million in 2010-11 and \$583.8 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	Copayments for physician, clinic, and dental office visits would be \$5. Copayments for brand name prescription drugs would be \$5. Copayments for emergency room visits would be \$50. This proposal would require a waiver of federal rules, which set limits on copayments for those enrolled in Medi-Cal.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Health</b>					
Adult Day Health Care (ADHC) services	Eliminates Medi-Cal coverage of ADHC services, effective June 1, 2011, for state savings of \$1.7 million in 2010-11 and \$176.6 million in 2011-12.	Maintains coverage of ADHC services, but requires enforcement of existing eligibility criteria, consolidates state administration, and makes other program changes for state savings of \$28 million.	Appropriates \$25 million to the Department of Health Care Services to provide social and respite services, for state savings of \$151.6 million.	Eliminates Medi-Cal coverage of ADHC for state savings of \$90 million. Proposes to create an alternative, narrowly defined program under a new federal waiver and provides \$85 million in state funds for that purpose.	The Governor's proposal would result in 27,000 seniors and persons with disabilities losing ADHC or paying out of pocket for services.
Medi-Cal provider payments	Reduces payments to Medi-Cal providers by 10 percent, effective June 1, 2011, for state savings of \$11.7 million in 2010-11 and \$709.1 million in 2011-12.	Adopts the Governor's proposal and includes an additional \$20.5 million reduction in payments to 24-hour care facilities for individuals with disabilities, a reduction that was not in the Governor's initial proposal, for state savings of \$729.6 million.	Same as Assembly.	Adopts a technical adjustment to include certain facilities as part of the previously adopted provider payment reduction for additional state savings of \$39.1 million.	The Governor's proposal assumes that the US Supreme Court will reverse lower court rulings, which blocked similar reductions. The Court is expected to decide on this issue in the Fall of 2011.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Health</b>					
Nutritional supplements and over-the-counter medications	Eliminates Medi-Cal coverage for over-the-counter cough and cold products and limits coverage of certain nutritional supplements, effective June 1, 2011, for state savings of \$16.7 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
Healthy Families premiums	Increases premiums for Healthy Families coverage for an estimated 565,000 children, effective June 1, 2011, for state savings of \$1.9 million in 2010-11 and \$22.2 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	<p>Monthly premiums for children in families with incomes between 151 percent and 200 percent of the federal poverty line would rise from \$16 to \$30 per child.</p> <p>Monthly premiums for children in families with incomes between 201 percent and 250 percent of the poverty line would rise from \$24 to \$42 per child.</p> <p>This proposal would require federal approval.</p>

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Health</b>					
Healthy Families copayments	Imposes copayments of \$50 for emergency room visits that do not result in hospitalization and \$100 per day for hospital stays, effective October 1, 2011, for state savings of \$5.5 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	This proposal would require federal approval.
Vision coverage in the Healthy Families Program	Eliminates vision benefits for children enrolled in Healthy Families, effective June 1, 2011, for state savings of \$0.9 million in 2010-11 and \$11.3 million in 2011-12.	Reduces state support for vision coverage by \$3 million.	Same as Assembly.	Reflects the Assembly and Senate actions.	Approximately 875,000 children would be affected by this proposal.
Community Challenge Grants	No proposal.	No proposal.	No proposal.	Eliminates \$20 million for Community Challenge Grants.	This program aims to reduce the number teenage pregnancies and promote responsible parenting among adolescents.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
California Work Opportunity and Responsibility to Kids (CalWORKs) Program time limit	Retroactively limits families – including both adults and children – to 48 months of cash assistance effective July 1, 2011 for savings of \$832.9 million in 2011-12. Months in which an adult was exempt from work requirements or temporarily disabled would count toward the 48-month limit. Certain families, however, could receive a grant on behalf of the children beyond 48 months.	Retroactively limits adults – but not children – to 48 months of cash assistance effective June 1, 2011 for savings of \$13 million in 2010-11 and \$158 million in 2011-12. Months in which an adult was exempt from work requirements or temporarily disabled would not count toward the 48-month limit.	Same as Assembly.	Reflects the Assembly and Senate actions.	Adults are currently subject to a 60-month time limit, while children may receive state-funded cash assistance as long as the family meets eligibility requirements.  Approximately 115,000 families with 234,000 children would lose cash assistance under the Governor's proposal.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
CalWORKs grants	Reduces maximum grant levels by 13 percent effective June 1, 2011 for savings of \$405.0 million in 2011-12.	Reduces maximum grant levels by 5 percent effective June 1, 2011 for savings of approximately \$195 million.	Same as Assembly.	<p>Reduces maximum grant levels by 8 percent for ongoing annual savings of \$304 million.</p> <p>Reduces grants for families who receive child-only grants by an additional 15 percent for ongoing annual savings of \$100 million. This reduction would occur in three steps – a 5 percent cut after 60 months on aid, an additional 5 percent cut after 72 months on aid, and a final 5 percent cut after 84 months on aid.</p>	<p>The Conference Committee's 8 percent cut reduces the maximum monthly grant for a family of three in high-cost counties to from \$694 to \$638.</p> <p>Both Conference Committee grant cuts would take effect on the first of the month following 90 days after enactment.</p>

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
CalWORKs funding	Reduces funding that counties use to provide welfare-to-work services and child care by \$376.9 million in 2011-12. The Governor proposes to repeal the current work participation exemptions for families with young children that were implemented beginning in 2009-10 to help counties prioritize their remaining funding.	Reduces funding that counties use to provide welfare-to-work services and child care by \$476 million in 2011-12. Extends and potentially expands the current work participation exemptions for families with young children to help counties prioritize their remaining funding.	Same as Assembly.	Reduces funding that counties use to provide welfare-to-work services and child care by \$427 million in 2011-12. Extends and expands the work participation exemptions for families with young children to help counties prioritize their remaining funding.	The state imposed annual cuts of \$375 million to counties' CalWORKs funding as part of the 2009-10 and 2010-11 budget agreements.
CalWORKs July 2011 sanctions and time limit changes	Repeals the major CalWORKs sanction and time-limit changes that were enacted as part of the July 2009 budget agreement and that are scheduled to take effect on July 1, 2011.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
CalWORKs earned income disregard	No proposal.	Modifies the earned income disregard by eliminating the complete exclusion of the first \$225 in earned income effective June 1, 2011 for savings of \$17 million in 2010-11 and \$200 million in 2011-12.	Same as Assembly.	Modifies the earned income disregard by not counting the first \$112 of earnings – rather than the first \$225 – for ongoing annual savings of \$95 million.	California currently disregards, or does not count, the first \$225 of earnings and 50 percent of each additional dollar earned when calculating a family's grant.
CalWORKs subsidized employment	No proposal.	Expands the state's participation in the AB 98 subsidized employment program. This change is not projected to result in either savings or costs.	Same as Assembly.	Reflects the Assembly and Senate actions.	Currently, counties may receive a match from the state to offset the cost of providing a subsidized job, with the match limited to 50 percent of the maximum grant.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
CalWORKs Cal-Learn Program	No proposal.	Cuts funding by \$20 million in 2011-12.	Same as Assembly.	Suspends certain Cal-Learn services for one year for savings of \$45 million in 2011-12. Cal-Learn participants would continue to be eligible for bonuses related to progress in school.	Cal-Learn provides case management services to approximately 12,000 teen parents who remain in school.
CalWORKs substance abuse and mental health services	No proposal.	Cuts funding by \$5 million in 2011-12.	Same as Assembly.	Reflects the Assembly and Senate actions.	
CalWORKs automation systems	No proposal.	Cuts funding by \$5 million in 2011-12.	Same as Assembly.	Reflects the Assembly and Senate actions.	
In-Home Supportive Services (IHSS) Program hours of service	Reduces all IHSS recipients' authorized hours of service by 8.4 percent for savings of \$127.5 million in 2011-12.	Rejects the Governor's proposal.	Adopts an unspecified across-the-board reduction in hours of service. The amount of the cut would correspond to the remaining amount needed – after taking into account other IHSS "solutions" adopted by the Senate – to achieve the Governor's proposed IHSS savings target of \$486.1 million.	Triggers a reduction in hours of service effective October 1, 2012 to achieve state savings of up to \$140 million if alternative policy changes – including a pilot project to encourage Medi-Cal recipients to take prescribed medications (see below) – fail to achieve those savings.	The 2010-11 budget agreement included a temporary 3.6 percent cut to recipients' authorized hours of service. The Governor's proposal would make this cut permanent. Therefore, the total ongoing reduction to authorized hours would equal 12 percent under the Governor's proposal.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
IHSS domestic and related services	Eliminates domestic and related services for IHSS recipients who live with others for savings of \$236.6 million in 2011-12.	Rejects the Governor's proposal.	Adopts a modified version of the Governor's proposal that reduces the number of recipients who would lose domestic and related services.	Does not include changes to domestic and related services.	Domestic and related services include shopping and laundry. The Governor's proposal would affect 300,000 recipients.
IHSS certification	Eliminates all services for recipients who lack a doctor's certification that IHSS is necessary to prevent out-of-home care for savings of \$152 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	The Governor's proposal would affect 43,000 recipients.  The Administration's initial savings estimate of \$120.4 million was subsequently revised to reflect interactions with other IHSS proposals.
IHSS Community First Choice Option (CFCO)	No proposal.	Assumes \$121 million in state savings due to "expected approval" of additional federal funding for IHSS under the new federal CFCO.	Same as Assembly.	Reflects the Assembly and Senate actions.	The CFCO is a new Medicaid state plan option available effective October 1, 2011.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
IHSS enrollment estimates	No proposal.	Reduces enrollment estimates based on more recent data for savings of \$83.2 million.	Same as Assembly.	Reflects the Assembly and Senate actions.	
Medication dispensing pilot project	No proposal.	No proposal.	No proposal.	<p>Establishes a pilot project to encourage Medi-Cal recipients to take prescribed medications, with the goal of achieving ongoing annual state savings of \$140 million.</p> <p>If the pilot project does not achieve this level of savings, the Legislature could adopt alternative proposals by July 1, 2012. If the Department of Finance subsequently determines that \$140 million in annual savings still would not be achieved, an unspecified cut to IHSS recipients' hours of service would be triggered effective October 1, 2012 (see above).</p>	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
Supplemental Security Income/State Supplementary Payment (SSI/SSP) Program	Reduces the state's share of SSI/SSP grants to the minimum allowed by federal law, effective June 1, 2011, for savings of \$14.7 million in 2010-11 and \$177.3 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal, with the cut taking effect on the first of the month following 90 days after enactment.	<p>The maximum monthly SSI/SSP grant for individuals would drop from \$845 to \$830 under the Governor's proposal. Approximately 8,500 seniors and people with disabilities would lose their SSI/SSP grant due to this reduction.</p> <p>The maximum grant for SSI/SSP couples is already at the minimum permitted by federal law, and therefore the state cannot reduce it further.</p>
Child support	Suspends counties' share of child support collections – estimated to be \$24.4 million in 2011-12 – and shifts those dollars to the state General Fund.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Human Services</b>					
Multipurpose Senior Services Program (MSSP)	Eliminates the MSSP for savings of \$19.9 million in 2011-12.	Rejects the Governor's proposal.	Reduces funding by \$5 million in 2011-12.	Reduces funding by \$2.5 million.	The MSSP provides services to help elderly Medi-Cal recipients who are eligible to enter a nursing home remain in their own homes.
Transitional Housing Program-Plus (THP-Plus)	Reduces funding by \$19 million in 2011-12.	Adopts the Governor's proposal.	Reduces funding by \$5 million in 2011-12.	Defers this issue to the "discussion on realignment of Child Welfare Services."	THP-Plus provides up to two years of transitional housing and supportive services to former foster youth.
<b>Child Care and Development</b>					
Funding for child care and preschool providers	Cuts funding per "slot" by 34.6 percent for all programs except state preschool and CalWORKs Stage 1 child care for savings of \$577.0 million in 2011-12.	Cuts funding per slot by 10 percent for state preschool and all child care programs except CalWORKs Stages 1 and 2 for savings of \$178 million in 2011-12.	Cuts funding per slot by 13 percent for all programs except state preschool and CalWORKs Stages 1 and 2 child care for savings of \$165 million in 2011-12.	Cuts funding per slot by 15 percent for state preschool and all child care programs except CalWORKs Stages 1 and 2 for savings of \$267 million in 2011-12.	The Governor's proposal assumes that each family would pay more – potentially hundreds of dollars per month – to make up for reduced state funding to child care providers.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Child Care and Development</b>					
Child care for 11- and 12-year-olds	Eliminates child care for 11- and 12-year-olds for savings of \$93.0 million in 2011-12.	Rejects the Governor's proposal.	Eliminates child care for 11- and 12-year-olds, except for those who need care during non-traditional hours, for savings of \$41 million in 2011-12.  Prioritizes 11- and 12-year-olds for afterschool program waiting lists and allows those children to attend an afterschool program at another school in their district.	Eliminates child care for 11- and 12-year-olds – except for those who need care during non-traditional hours and those who are disabled, at risk of abuse, or homeless – for savings of \$38.5 million in 2011-12.  Prioritizes 11- and 12-year-olds for afterschool program waiting lists and allows those children to attend an afterschool program at another school in their district.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Child Care and Development</b>					
Income eligibility limit	Reduces the income eligibility limit from 75 percent of the state median income (SMI) to 60 percent of the SMI – except for the state preschool program – for savings of \$79.0 million in 2011-12.	Reduces the income eligibility limit from 75 percent of the SMI to 70 percent of the SMI and extends the reduction to the state preschool program for savings of \$30.1 million in 2011-12.	Adopts the Governor's proposal, but extends the reduction to the state preschool program, for savings of \$150 million in 2011-12.	Reduces the income eligibility limit from 75 percent of the SMI to 70 percent of the SMI for child care programs and state preschool for savings of \$30.1 million in 2011-12.	
Child and Dependent Care Credit	No proposal.	No proposal.	Eliminates the refundable portion of the credit and allocates the savings – \$100 million – to CalWORKs Stage 2 child care.	Eliminates the refundable portion of the credit and "allocates the savings to direct provision of child care for eligible households."	
Reimbursement rate for "license-exempt" child care providers	No proposal.	Reduces the maximum rate that license-exempt providers can charge from 80 percent to 60 percent of the maximum licensed rate for savings of \$44.1 million.	Same as Assembly.	Reflects the Assembly and Senate actions.	The October 2010 budget agreement reduced the maximum rate that license-exempt providers can charge from 90 percent to 80 percent of the maximum licensed rate.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Child Care and Development</b>					
Child care administration	No proposal.	No proposal.	Reduces the share of Alternative Payment (AP) contractors' funding that may be used for administrative and support purposes from 17.5 percent to 15 percent for savings of \$15 million in 2011-12.	Does not adopt the Senate's proposal.	The October 2010 budget agreement reduced the share of AP contractors' funding that may be used for administrative and support purposes from 19 percent to 17.5 percent.
Family fee schedule	No proposal.	No proposal.	No proposal.	Adopts a 10 percent across-the-board increase to the fees that families pay for child care for savings of \$12 million in 2011-12.	Total fees may not exceed 10 percent of a family's monthly income under the Conference Committee's action.
Standard Reimbursement Rate (SRR)	No proposal.	No proposal.	No proposal.	Reduces the maximum SRR for child care and state preschool by 10 percent effective July 1, 2011 for savings of \$109.1 million in 2011-12.	The SRR is paid to child care and preschool providers who are under contract with the California Department of Education.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Child Care and Development</b>					
Child care deferrals	No proposal.	Adopts \$150 million in ongoing inter-year deferrals.	No proposal.	Does not adopt any deferrals, but approves \$215.2 million in other child care "solutions," including redirecting Proposition 98 savings to child care.	
<b>K-12 Education</b>					
Proposition 98	Reflects a 2011-12 base funding level of \$49.3 billion for K-14 programs covered by the Proposition 98 guarantee.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects a 2011-12 base funding level of \$49.4 billion for K-14 programs covered by the Proposition 98 guarantee. The \$110 million increase in the Proposition 98 funding level reflects revenue adjustments adopted by the Conference Committee.	
Deferrals	Defers \$2.1 billion in 2011-12 spending from July 2011 to July 2012.	Defers \$2.1 billion in spending from 2011-12 to 2012-13, but intends to modify the length of the deferrals.	Same as Assembly.	Adopts the Governor's proposal. Defers \$1.3 billion in March 2012 payments and \$763 million in April 2012 payments to August 2012.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>K-12 Education</b>					
K-3 Class Size Reduction (K-3 CSR)	Appropriates \$1.275 billion in 2011-12 Proposition 98 funding. Allocates \$704.6 million in the 2011-12 Budget Act and an additional \$570 million that would be paid as a deferral in 2012 through a "trailer bill" after the close of the budget year.	Appropriates \$1.275 billion in 2011-12 funding pursuant to the statute that allows the State Superintendent of Public Instruction (SPI) to certify the amount of funding needed for the program.	Adopts the Governor's proposal.	Provides \$1.46 billion in 2011-12 through a statutory appropriation rather than through the 2011-12 Budget Act.	In 2010-11, funding for K-3 CSR was converted to a one-year statutory appropriation with the funding level determined by the SPI.
Economic Impact Aid	Provides \$888.4 million in 2011-12 Proposition 98 funding.	Provides \$56 million more than the Governor's proposal based on updated workload estimates for a total of \$944.4 million in 2011-12 Proposition 98 funding.	Adopts the Governor's proposal.	Adopts the Assembly's action.	
K-14 education mandates	Provides \$89.9 million in 2011-12 Proposition 98 funding.	Provides \$43,000 in 2011-12 Proposition 98 funding – \$1,000 per mandate – and defers the remaining ongoing costs.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>K-12 Education</b>					
Charter School Facility Grant Program	Provides \$95.4 million in 2011-12 Proposition 98 funding.	Adopts the Governor's proposal.	Provides \$70.4 million in 2011-12 Proposition 98 funding.	Adopts the Governor's proposal.	Historically, funds for this program were used to reimburse eligible charter schools for prior year facilities rent and lease spending. However, the 2010-11 Budget Act transitioned this program from reimbursement to grant-funding.
Office of the Secretary of Education (OSE)	Eliminates the OSE for savings of \$400,000 in 2010-11 and \$1.6 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>K-12 Education</b>					
Categorical programs	Extends various provisions of the February 2009 budget agreement from 2012-13 to 2014-15, including provisions allowing the transfer of funds from approximately 40 categorical programs to a school district's or county office of education's General Fund.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
California State Library	Eliminates 2011-12 funding for the Public Library Foundation, the California Library Services Act, and California Library Literacy and English Acquisition Services for savings of \$30.4 million.	Reduces funding for the Public Library Foundation and the California Library Services Act by \$1.5 million each.	Adopts the Governor's proposal.	Reduces funding by \$15 million.	Currently, the State Library receives \$19.7 million in federal grant funds, based on the last three years of state General Fund support. Federal support for California libraries will end by 2014-15, if state funding is reduced by \$30.4 million and not restored in future years.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>K-12 Education</b>					
Emergency Repair Program (ERP)	Provides \$42.8 million in 2011-12 Proposition 98 funding.	Rejects the Governor's proposal.	Rejects the Governor's proposal.	Reflects the Assembly and Senate actions.	The <u>Williams v. California</u> settlement agreement obligated the state to make annual payments to the ERP beginning in 2005-06, however the state has not done so since 2008-09.
Basic aid districts	No proposal.	No proposal.	No proposal.	Reduces 2010-11 and 2011-12 categorical program funding by 8.9 percent.	The Legislature intends to reduce basic aid district funding by the same proportion as 2008-09 and 2009-10 revenue limit reductions to non-basic aid districts.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>K-12 Education</b>					
California Longitudinal Pupil Achievement Data System (CALPADS)	Does not provide federal funds in 2010-11.	Adopts the Governor's proposal.	Provides \$2.9 million in federal funds to support implementation and development of CALPADS in 2010-11.	Provides \$2.3 million in federal funds to support implementation and development of CALPADS in 2010-11.	Governor Schwarzenegger vetoed \$3.0 million in federal funds for the support and development of CALPADS in 2010-11. The Conference Committee action would prioritize restored funding to support the transfer of knowledge from the CALPADS contractor to the California Department of Education and any other relevant state agency.
<b>Community Colleges</b>					
Funding	Makes \$400 million in unallocated reductions in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
Deferrals	Defers \$129 million in spending from 2011-12 to 2012-13.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
Fees	Increases student fees from \$26 to \$36 per credit unit.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Community Colleges</b>					
Categorical fee waivers	Decouples the formula in current law that links the amount community colleges receive for administering categorical fee waivers to the dollar value of fee waivers for 2011-12 savings of \$2.9 million.	Rejects "the Governor's request and augmented the financial aid program by \$2.9 million by taking the funds from the base apportionment."	Adopts the Governor's proposal.	Conference Committee compromise budget bill language states "the amount of funds appropriated for the purposes of administering fee waivers shall be determined in the annual Budget Act for the 2011-12 fiscal year."	
<b>Community Colleges</b>					
Attendance accounting	Changes attendance accounting to create incentives for colleges to maximize academic course sections available for students seeking vocational certificates and transfers to four-year colleges.	Rejects the Governor's proposal.	Rejects the Governor's proposal.	Reflects the Assembly and Senate actions.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>University of California</b>					
Funding	Makes \$500 million in unallocated 2011-12 reductions.	Adopts the Governor's proposal. Requires the University of California (UC) to report how the reductions were implemented. Specifies a 2011-12 enrollment target of 209,977 full-time-equivalent students.	Adopts the Governor's proposal. Expresses intent to minimize enrollment impacts and requires the UC to report to the Legislature how the budget reduction was implemented on March 1, 2012.	Adopts the Governor's proposal. Requires the UC to minimize fee and enrollment impacts on students and to report how reductions would be implemented by June 1, 2011, prior to adoption of a final plan by the Board of Regents. Requires the UC to report to the Legislature by May 1, 2012 whether it fulfilled an enrollment target of 209,977 state-supported full-time equivalent students (FTES) during the 2011-12 academic year.	
Academic preparation and outreach programs	No proposal.	No proposal.	Protects academic preparation and outreach programs from reductions "proportionately greater than the overall General Fund reduction."	Adopts the Senate's action.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>California State University</b>					
Funding	Makes \$500 million in unallocated 2011-12 reductions.	Adopts the Governor's proposal. Requires the California State University (CSU) to report how the reductions were implemented. Shifts \$75 million in CSU 2010-11 General Fund support to 2011-12 which would mitigate the proposed 2011-12 reduction. Specifies a 2011-12 enrollment target of 331,716 full-time-equivalent students.	Adopts the Governor's proposal. Expresses intent to minimize enrollment impacts and requires the CSU to report to the Legislature how the budget reduction was implemented on March 1, 2012.	Adopts the Governor's proposal. Requires the CSU to minimize fee and enrollment impacts on students and to report how reductions would be implemented by June 1, 2011, prior to adoption of a final plan by the Board of Trustees. Requires the CSU to report to the Legislature by May 1, 2012 whether it fulfilled an enrollment target of 331,716 during the 2011-12 academic year.	
Academic preparation and outreach programs	No proposal.	No proposal.	Protects academic preparation and outreach programs from reductions "proportionately greater than the overall General Fund reduction."	Adopts the Senate's action.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Hastings College of Law</b>					
Funding	Makes \$1.5 million in unallocated reductions in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal and shifts all \$6.9 million in state funding to support student financial aid.	Adopts the Governor's proposal.	
<b>California Student Aid Commission</b>					
Cal Grants	Shifts \$947 million in Temporary Assistance to Needy Families (TANF) funds to support Cal Grants. Increases Cal Grant funding by \$147.2 million in 2010-11 and \$369.5 million in 2011-12 to reflect revised California Student Aid Commission (CSAC) cost estimates. The higher-than-anticipated costs include \$141.4 million in 2010-11 and \$279 million in 2011-12 due to a larger than previously anticipated number of new Cal Grant entitlement awards.	Funds the Cal Grants programs and shifts \$275.7 million in TANF funds to support CSAC.	Limits Cal Grant award levels at private for-profit colleges to either the grant level provided for a California Community College certificate and associate degree program or the grant level provided for the CSU.	Institutions will be required to meet minimum default rate standards in order to qualify as a Cal Grant eligible institution. This provision will only apply to new Cal Grant awards. Requires Cal Grant renewal recipients to meet income eligibility standards.	California has historically used most of its annual TANF block grant to support the CalWORKs welfare-to-work program. Federal law, however, allows states to use TANF funds for a broader range of purposes, including college financial aid. The Governor proposes to make deep cuts to CalWORKs in order to "free up" TANF funds to support Cal Grants.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Local Government</b>					
Open space subventions	Suspends the Williamson Act Program, which backfills a portion of local property tax revenues lost to local governments under contracts to maintain open space and agricultural land, for savings of \$20 million in 2010-11 and 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
Local government mandates	Suspends most local government mandates and defers payment for pre-2004 mandate claims for savings of \$321.8 million. Suspended mandates include the Brown Act "open meetings" mandate (\$63.3 million) and six related to elections (\$32.7 million).	Adopts the Governor's proposal to suspend election-related mandates, but rejects the proposal to suspend the "open meetings" mandate.	Adopts the Governor's proposal to suspend election-related mandates and the "open meetings" mandate, but assumes \$10 million less in savings would be achieved through the suspension of the latter.	Suspends election-related mandates and amends the state Constitution so that local government costs related to complying with open meetings requirements shall not be deemed a reimbursable mandate.	Suspension of election-related mandates means counties would not be required to mail ballots to individuals who request to be permanent absentee voters, count absentee ballot voting by precinct, or hold special elections when a candidate dies within three months of a general election.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>General Government</b>					
Interest on loans to pay Unemployment Insurance benefits	Borrows \$362.3 million from the Unemployment Compensation Disability Fund – commonly known as the State Disability Insurance fund – to pay interest due on loans from the federal UI trust fund.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
Protection of federal extended UI benefits	No proposal.	Temporarily changes a "trigger" to allow unemployed workers to continue to receive federal extended UI benefits.	Same as Assembly.	Reflects the Assembly and Senate actions.	Eligible jobless workers receive 20 weeks of federally funded extended UI benefits when a "trigger" based on a state's unemployment rate is "on." Congress recently adopted a new "trigger" that requires state conforming legislation. If the new "trigger" is not adopted, California is expected to "trigger off" the federal extended benefits program in spring 2011.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>General Government</b>					
State employees	Assumes \$308.4 million General Fund savings from a 10 percent reduction in workers' take-home pay that would be achieved through collective bargaining with six bargaining units that have expired contracts or "other administrative actions."	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	<p>The Governor's Proposed Budget also reflects \$71.6 million in savings from employee compensation reductions achieved through collective bargaining agreements reached with 15 bargaining units in 2010. Those agreements reduced the take-home pay of covered state workers by between 8 and 10 percent.</p> <p>The Governor also issued an executive order in mid-February imposing a hiring freeze.</p>

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>General Government</b>					
State employee and retiree health care costs	Assumes savings of \$80 million that would be achieved through legislation directing the California Public Employees' Retirement System (CalPERS) to provide a new lower-cost health plan option and/or implement other measures to achieve equivalent ongoing savings beginning in 2012-13.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	In February, the Governor modified his original proposal, which assumed savings of \$72 million from legislation directing CalPERS to provide a new lower-cost health plan. Under the revised proposal, CalPERS would be required to achieve \$8 million more in savings through either the provision of a new lower-cost health plan or other unspecified measures.
State operations	Proposes a \$200 million unallocated reduction in state operations spending.	Adopts the Governor's proposal, but reduces spending on state operations by \$300 million to reflect an additional \$100 million in savings "from the review of contracting-out of state services."	Adopts the Governor's proposal, but reduces spending on state operations by \$275 million to reflect an additional \$75 million in savings from "information technology and other operational efficiencies."	Adopts the Governor's proposal, but reduces spending on state operations by \$250 million.	In January, the Governor issued one executive order imposing a 50 percent reduction in the number of state-issued cell phones to achieve at least \$20 million in savings, and another requiring state agencies and departments to relinquish non-essential or cost-inefficient vehicles and equipment.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>General Government</b>					
Sale of state office buildings	As announced in February, cancels the sale of 11 state office buildings and proposes to backfill the \$1.2 billion in lost revenues through special fund loans and transfers (\$905.5 million) and spending reductions (\$266.8 million).	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	Legislation included as part of the July 2009 budget agreement authorized the state to sell 11 state office buildings and lease the buildings back from the new owners. The 2010-11 budget agreement assumed \$1.2 billion in one-time revenue from the sale. The Legislative Analyst's Office recommended that the state consider alternatives to the "sale-leaseback" because the long-term cost of leasing would exceed the revenues generated by the sale.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Legislative, Executive, and Judicial</b>					
Trial courts	Reduces 2011-12 funding by \$200 million.	Adopts the reduction, allocating \$23.2 million to state operations and \$176.8 million to trial courts. Requires that \$38.7 million from the Modernization Fund be used to offset the reduction to trial courts and allows balances in other funds to be used to offset the reduction.	Adopts the reduction, allocating \$24 million to state operations and \$176 million to trial courts. Allows transfers from "statewide fund balances" to offset the reduction to trial courts and requires up to \$95 million of local reserves be used to keep courts open.	Adopts the reduction, allocating \$176.8 million to trial courts and \$23.2 million to state operations. Requires that implementation of the reductions avoids court closures and minimizes impacts on court operations.	
Department of Justice (DOJ) legal services	Converts most DOJ clients that currently receive legal services on a "non-billable" basis to a "billable" basis. The Governor reduces funding for the DOJ and increases General Fund support for certain departments to cover their anticipated "billable" costs.	Adopts the Governor's proposed policy but reduces the proposed increase in General Fund support for the California Department of Corrections and Rehabilitation by \$5.5 million.	Same as Assembly.	Reflects the Assembly and Senate actions.	The DOJ is responsible for representing state agencies and employees in judicial proceedings. Historically, the DOJ has provided legal services to agencies that are supported by the General Fund on a "non-billable" basis and has received a General Fund appropriation for those services.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Resources</b>					
CalFIRE fire engine staffing	Eliminates funding for the fourth firefighter on CalFIRE fire engines for savings of \$30.7 million in 2011-12.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
CalFIRE fire protection funding	Reduces 2011-12 funding for fire protection activities, including CalFIRE's aviation program, by \$42.8 million.	Adopts the Governor's funding reduction but denies \$3.5 million in funding for the Very Large Air Tanker Program.	Rejects the Governor's proposal.	Adopts the Senate's action.	
Civil Cost Recovery Program	Increases funding for cost recovery for wildfires caused by negligence or illegal activity by \$1.7 million in 2011-12. The Governor assumes net General Fund savings of approximately \$5.1 million.	Rejects the Governor's proposal.	Rejects the Governor's proposal.	Reflects the Assembly and Senate actions.	

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Resources</b>					
Department of Parks and Recreation (DPR)	Reduces 2011-12 funding by \$11.0 million by partially or fully closing some state parks and reducing DPR headquarters' expenditures.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
Off-highway vehicle parks	No proposal.	Transfers \$27.0 million from the Off-Highway Vehicle Trust Fund to the General Fund.	No proposal.	Transfers \$10 million to the General Fund.	This reduction is proportionate to the cut to non-vehicle parks.
Gas consumption surcharge	No proposal.	No proposal.	Transfers \$162 million from the Gas Consumption Surcharge Fund to the General Fund, maintaining funding for the Energy Low Income Program and low-income energy-efficiency programs.	Transfers \$155 million to the General Fund, maintaining funding for the Energy Low Income Program and low-income energy-efficiency programs.	This surcharge on natural gas consumption funds low-income assistance and energy-efficiency programs and public interest research.

	<b>Governor's Proposed Budget</b>	<b>Assembly</b>	<b>Senate</b>	<b>Conference Committee</b>	<b>Comments</b>
<b>Transportation</b>					
Fuel tax swap	Requests that the Legislature reenact the March 2010 fuel tax swap, allowing the state to continue to use certain fuel tax revenues to pay debt service on transportation bonds. The Governor's Proposed Budget also provides additional funds from the Public Transportation Account to local transit agencies to maintain funding that was overturned by the voters' approval of Proposition 22 in November 2010.	Adopts the Governor's proposal.	Adopts the Governor's proposal.	Reflects the Governor's proposal.	
Truck weight fees	Uses \$1.0 billion in truck weight fees in 2010-11 and 2011-12 to pay transportation general obligation (GO) bond debt service costs. The Governor also proposes to borrow \$660 million in truck weight fee revenues from the State Highway Account.	Adopts the Governor's proposal and borrows an additional \$150 million from the State Highway Account.	Same as Assembly.	Uses \$1.6 billion in truck weight fees in 2010-11 and 2011-12 to pay GO bond debt service costs for transportation-related bonds and for loans to the General Fund.	Proposition 22 of 2010 limits the use of gasoline excise taxes for paying GO bond debt service and prohibits the use of gasoline excise taxes for loans to the General Fund. This proposal uses truck weight fees for these purposes instead.