SENATE BUDGET PLAN

STEP #1: KEY VALUES

Putting California’s Wealth to Work for a More Equitable Economy

SENATE DEMOCRATS

2022-23 STATE BUDGET
Putting California’s Wealth to Work for a More Equitable Economy

SENATE BUDGET PLAN

EVOLUTION

STEP #1: Key Values

STEP #2: Detailed Senate Budget Priorities

STEP #3: Senate/Legislature Version

STEP #4: Final Version

Presented Here

Early 2022

Late May

Mid June

Putting California’s Wealth to Work for a More Equitable Economy
California’s rebounding economy is strong, but, as has been the case throughout the nation for decades, wealth has gone to the top leaving the middle class and struggling families behind.

Thankfully, California’s common sense, voter-approved revenue system results in those that have prospered the most contributing their share.

Our revenue system, along with a decade of responsible budgeting, results in a healthy budget with a forecast of over $50 billion in available Prop 98 and non-Prop 98 General Fund resources allowing the Senate to craft a transformative budget that puts our wealth to work for a more equitable California.

The following values will be the guideposts as the Senate crafts the 2022-23 State Budget.
KEY VALUE #1

Sustain Progress:

- Build upon historic reserves to protect ongoing programs from future temporary downturns.
- Pay down state debts and retirement liabilities.
- Utilize one-time funds for needed one-time/short-term purposes.
- Maintain existing expenditure priorities that promote equity.
- Expand oversight and accountability.
**Strengthen Equity while Meeting Gann Limit Requirements:**

- Maximize infrastructure investments, including for schools and higher education.
- Build on enacted targeted tax relief programs that benefit California families, such as the CalEITC, Child Tax Credit, and Small Business Relief.
- Adjust budget approaches to ensure ongoing commitments can be made to core programs – healthcare, safety net, and higher education.
- Consider future reforms to modernize Gann Limit while respecting original intent.
KEY VALUE #3

Build a More Equitable Economy:

- Support Getting Back to Work: Childcare, Small Businesses, and Essential Workforce.
- Strengthen Middle Class Families and Reduce Debt.
- Assist Families and Those in Need and Support Aging Californians.
- Focus on Health: Improve public health, mental health, access and affordability.
- Balance Public Safety and Justice.

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Putting California’s Wealth to Work for a More Equitable Economy

Address Housing Challenges: Homelessness, Affordable Housing, and Home Ownership.


Close Learning Gap and Protect Local School Budgets.

Improve Higher Ed Quality, Affordability, and Accessibility.

Sustain California: Enhance Climate, Environment, and Resource Protection; Strengthen Wildfire Mitigation and Response.
Putting California’s Wealth to Work for a More Equitable Economy

A decade of responsible budgeting and a commonsense revenue system provides the Legislature with another opportunity to make transformative investments.

Surging revenues have brought the constitutional Gann Limit provisions into play which will guide and inform budget decisions.

With the benefit of public hearings, in-depth caucus discussions, and ultimately three-party negotiations, the Senate’s budget priorities will evolve from our broad key values and be refined into fully developed priorities.

The Senate, in partnership with the Assembly and the Governor, looks forward to putting our wealth to work for a more equitable California.