

## Budget Update Governor's 2010-2011 Budget Proposal

January 26, 2010

On Friday, January 8, 2010, Governor Arnold Schwarzenegger released his proposed budget for fiscal year 2010-11. In the Governor's budget proposal for 2010-11, there is a proposed \$264,000 decrease in funding for the California Tobacco Control Program (CTCP) for Competitive Grants. There are also proposed decreases for both the Department of Education and for the UC Tobacco-Related Disease Research Program. According to the Department of Finance, all three of these cuts result from a decline in tobacco tax revenues due to the federal tobacco tax increase in 2009. CTCP does not anticipate that the \$264,000 reduction would cause any funded CTCP contracts to be decreased or eliminated.

In addition, the Governor's budget proposal includes a list of budget cuts that would result if California does not receive funding from the federal government. Included on this list is eliminating various health services programs funded by Proposition 99 to save \$115 million. According to the Department of Finance, these are programs funded through the Proposition 99 Physicians' Services and Hospital Services Accounts and do not include any tobacco control programs which are funded through the Health Education Account.

This Budget Update provides a breakdown of the proposal for the Proposition 99 Health Education Account (page 1) and Research Account (page 2) for fiscal year 2010-11 and an outline of the budget process.

### Proposition 99 - Health Education Account

The Health Education Account receives 20% of Prop 99 tax revenue.

All numbers are rounded.

	2009-2010 Budget	2010-2011 Governor's Budget Proposal	Change Amount ( '09-'10 Budget to '10-'11 Proposal)	Percent Change ( '09-'10 Budget to '10-'11 Proposal)
<b>Dept. of Public Health</b>				
<i>TCP Administration</i>	\$3.928 million	\$3.884 million	-\$0.044 million	- 1.1%
<i>Media Campaign</i>	\$15.695 million	\$15.695 million	\$0	0%
<i>Competitive Grants</i>	\$15.444 million	\$15.18 million	-\$0.264 million	- 1.7%
<i>TEROC/Evaluation</i>	\$3.923 million	\$4.058 million	\$0.135 million	3.4%
<i>Local Lead Agencies</i>	\$16.215 million	\$16.215 million	\$0	0%
<b>Dept. of Education</b>	\$21.901 million	\$21.733 million	-\$0.168 million	- 0.8%

## Proposition 99 - Research Account

The Research Account receives 5% of Prop 99 tax revenue.

All numbers are rounded.

	2009-2010 Budget	2010-2011 Governor's Budget Proposal	Change Amount (09-'10 Budget to '10-'11 Proposal)	Percent Change (09-'10 Budget to '10-'11 Proposal)
<b>Department of Public Health (Cancer Registry)</b>	\$5.267 million	\$5.301 million	\$0.034 million	0.6%
<b>University of California (TRDRP)</b>	\$13.090 million	\$12.965 million	- \$0.125 million	- 1.0%

### The Budget Process

The Governor's budget proposal each January is just the start of the budget process, as the Legislature will now play a major role. The following timeline shows the key budget dates in a typical year. However, because of the budget shortfalls in the current fiscal year, it is possible that the timeline will be different in 2010.

#### January-February

The Legislative Analyst submits its analysis of the Governor's proposed budget along with recommendations for changes to the budget.

#### March-May

Both the Senate and Assembly budget subcommittees hold hearings to review each specific appropriation in the budget document.

#### Mid May

The Governor must submit revisions to his January budget proposal by May 14. The "May Revise" is the Governor's budget adjusted for updated revenue projections.

#### Late May

The budget subcommittees will review and take action on the changes in the Governor's May Revise Budget and then report their recommendations to the full budget committee. The Senate and Assembly budget committees then adopt a budget plan and this budget will go to the full house for a vote.

#### June

The Constitutional deadline for approval of the budget by the Legislature is June 15. For passage, the budget bill is required to receive a two-thirds vote on the floor of each house. A Budget Conference Committee, made up of members of both houses, is established to work out any differences between the Senate and Assembly version of the bill. Once identical bills have received a two-thirds vote in each house it is passed on to the Governor for his signature.

#### July 1

This is the beginning of fiscal year 2010-2011.

**Center for Tobacco Policy & Organizing, January 26, 2010**

*If you have questions about this analysis, please contact Justin Garrett (jgarrett@alac.org) or Paul Knepprath (pknepprath@alac.org) at (916) 554-5864 (LUNG).*

*Sources: The 2010-2011 budget proposal can be found on the Department of Finance budget website at [www.ebudget.ca.gov](http://www.ebudget.ca.gov) and information about the budget process can be found at the Department of Finance ([www.dof.ca.gov](http://www.dof.ca.gov)) website.*

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