



THE GOLDEN SLATE

The official newsletter of the California
Agricultural Teachers' Association

California's Budgetary Challenges: A Snapshot

By Matt Patton, CATA Executive Director

In response to a significant shortfall in tax revenues and projections for the upcoming fiscal year, Governor Gavin Newsom has unveiled a revised budget proposal aimed at addressing California's financial woes.

Below is a breakdown of the key points of the California State Budget May Revise:

Budget Size Reduction: With tax revenues falling \$7 billion short of expectations, the proposed budget for the next fiscal year is substantially smaller, amounting to \$288 billion, down approximately 7.3% from projections. [\(Koseff, 2024\)](#).

Projected Deficit: The Newsom administration anticipates a remaining deficit of \$27.6 billion for the upcoming fiscal year, prompting early action to mitigate the shortfall. [\(Koseff, 2024\)](#).

Causes of Financial Strain: Several factors contribute to California's financial predicament, including stock market downturns affecting capital gains, inflation affecting housing, and reduced investments in the tech sector. Moreover, delays in income tax filing due to severe weather conditions have led to the current budget deficit. [\(Koseff, 2024\)](#).

Reserve Utilization: Newsom's budget proposal involves tapping into state reserve accounts, including \$12.2 billion from the rainy-day fund, \$900 million from a safety net reserve, and \$8.4 billion from a schools reserve account to stabilize K-12 education funding. [\(Koseff, 2024\)](#).

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Cuts and Savings Measures: Efforts to address the deficit include reclaiming \$19.1 billion in unspent funds from previous surpluses and implementing cuts to ongoing programs, such as reducing college scholarship programs and public health funding. Newsom aims for an overall reduction of nearly 8% in state operations and plans to eliminate 10,000 vacant state jobs to help mitigate the financial shortfall. [\(Koseff, 2024\)](#).

Protecting Social Services: While certain programs face delays, social services such as supplemental income and health coverage for low-income individuals remain untouched. However, expansions like subsidized child care slots will be paused. [\(Koseff, 2024\)](#).

Tax Policy Stance: Despite calls for tax hikes, Newsom asserts that no new taxes will be imposed to close the budget gap. However, he acknowledges the need for broader tax system reform. [\(Koseff, 2024\)](#).

In conclusion, Newsom's budget proposal reflects the challenges California faces in balancing its budget amidst revenue shortfalls, relying on a mix of spending cuts, reserve funds utilizations, and future reforms to address the state's financial woes. [\(Koseff, 2024\)](#).

The following is an update from last month on bills that if enacted, could affect agricultural education.

- [AB 1871](#) (Alanis) – This bill would require the social sciences area of study also to include instruction on personal financial literacy. **Update: Referred to Senate Education Committee.**
- [AB 1927](#) (Alanis) – This bill would allow candidates seeking CTE Credentials to apply to the Golden State Teacher Grant Program. Grants would be awarded to CTE teacher candidates who have taught at a priority school for at least four years. **Update: The revised May State Budget called for a \$60 million dollar reduction in the Golden State Teacher Grant Program.**
- [AB 2097](#) (Berman) – This bill would require **school districts to offer a Computer Science class by the 2028-2029 school year.** Add Computer Science to the list of Graduation Requirements for students starting in 2030.



- AB 3131 (McCarty) – If passed, this bill would give positive consideration to CTEIG applicants in ~~redline communities~~ **receiving Local Control Funding Formula Equity Multiplier funding.**
- AB 3053 (Kalra) – This would allow junior exhibitors to withdraw animals from junior livestock auctions at any time and negate terminal sales. **Update: This bill stalled in committee.**
- AB 3216 (Hoover & Muratsuchi) – This bill would authorize districts, county offices of education, and charter schools to limit cell phone use on campuses. **Update: This bill is in Assembly Appropriations.**
- Go Ag Act (Delgado) – A federal act providing a \$5 million grant program to help high schools cover the startup costs associated with agriculture education programs.

In summary, these legislative updates underscore the ongoing efforts to enhance agricultural education and adapt curriculum to meet evolving needs. As these bills progress through the legislative process, CATA remains dedicated to keeping you informed about their developments and potential impacts on agricultural education. Stay tuned for updates as we continue to advocate for initiatives that support the growth and enhancement of agricultural programs in our schools.

