



FOR IMMEDIATE RELEASE

June 3, 2020

Senate, Assembly Reach Agreement on 2020-21 Budget

SACRAMENTO— Senate President pro Tempore Toni G. Atkins (D-San Diego), Assembly Speaker Anthony Rendon (D-Lakewood), and Budget Committee Chairs, Senator Holly J. Mitchell (D-Los Angeles) and Assemblymember Phil Ting (D- San Francisco) announced today an agreement has been reached between the Senate and the Assembly on the proposed 2020-2021 state budget.

The joint legislative plan builds on the Governor's framework to further protect jobs and preserve vital services, while recognizing the sober economic outlook facing California. Acknowledging the strong likelihood of additional federal relief, the plan would use reserves to avoid overcutting now, while still keeping reserves on hand for the future, and ensuring full funding of K-14 schools. The plan also increases legislative oversight on COVID-19 spending, recognizes that employee groups are engaging in the collective bargaining process with the administration, and encourages health plans to engage with the administration in discussing options that may be needed in the months ahead.

"Our economy has been pummeled by COVID-19, but thanks to a decade of pragmatic budgeting, we can avoid draconian cuts to education and critical programs, or broad middle-class tax increases. Californians are counting on us to make the right call at the right time. Working families who still have jobs but need the state's safety net are relying on us to budget carefully so that our state, and all who live here, can rebound," said Atkins. "This plan builds off the spirit of Governor Newsom's proposal, and will set our state on a path of economic recovery, while avoiding actions that would further harm Californians."

"The key budget goal is preserving programs serving those who are most vulnerable. Nevertheless, all the budget plans being discussed acknowledge the possibility that

more difficult cuts will be necessary, due to COVID spending needs and weak revenues,” said Rendon. “This will be especially true if Washington, D.C. doesn't step up. The Legislature is prepared to work closely with the Governor to achieve California's goals. That's how, over the past decade, we built the large budget reserve that now helps us face the fiscal crisis.”

“Although we worked with an abbreviated timeframe, the integrity and responsibility of our proposal has been maintained. Everyone has stepped up to the plate to make sure we do not make conditions worse. The Administration had a tough job, working with a \$54 billion shortfall; we used their proposal with a couple of key differences. We still have a lot of work to do but we are aware the June 15 budget deadline will not be our last action this year due to the ongoing devastating impacts of COVID-19,” said Mitchell.

“The joint legislative budget agreement shows our commitment to helping all Californians through the tough times brought on by COVID-19,” said Ting. “We prioritized vital safety net programs and restored many proposed cuts because we cannot leave working families behind, as we forge a path to economic recovery. This shared fiscal plan gives us momentum to pass a balanced, on-time budget by the June 15th deadline.”