



FOR IMMEDIATE RELEASE

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On Tuesday of this week, Governor Jerry Brown released his state budget proposal for 2017-18. In response, Public Advocates is issuing the following statement:

Public Advocates is firmly dedicated to the development of a truly participatory democracy and an equitable economy in California that address the needs of its diverse communities. We are greatly concerned that under the incoming Trump Administration, the rights of vulnerable populations will come under sustained attack and federal funds that support our social safety net and other vital programs will be significantly curtailed. As we enter a period of unprecedented threats, protecting California's most vulnerable populations must be our state's top priority. To overcome these challenges, our state leaders must also offer a progressive vision that not only reflects past social gains we've made, but boldly advances policies that break the cycle of poverty and expand economic opportunities for all Californians.

Governor Brown's budget proposal is, as is typical, cautious. It includes a number of provisions that we support, including increased investment in K-12 education and a continued commitment to addressing climate change. However, as an overall blueprint for protecting California's most vulnerable communities, it falls short in many respects.

Here we offer some specific observations on how the proposed budget measures up in relation to education, housing, transportation and climate change:

Housing, Transportation & Climate

The Governor's proposal must do better on housing, transportation, and addressing climate change, especially given the anticipated de-prioritizing and de-funding of all three at the federal level. It is particularly unfortunate that the proposal does not include funding to build affordable housing, something that millions of low-income Californians need now, and that the Governor is silent on the displacement crisis. On the other hand, we are excited that the proposal endorses Housing Element enforcement and using infrastructure funding as a reward to local jurisdictions that build affordable housing – an approach that Public Advocates and the 6 Wins Network helped to pioneer in the Bay Area. On the transportation side, we are disappointed that the Governor has focused on dedicating over \$43 billion of potential funding from proposed vehicle fees, gas taxes, and Cap-and-Trade revenues almost exclusively on highways and roads and other *capital* expenditures over the next 10 years,

ignoring the need of low-income families for more frequent and affordable transit *service*. In the face of the federal threat to both transit and climate solutions, California needs to double down on funding transit services. If billions in new revenues can be found for infrastructure, a billion dollars a year for transit service and fare reduction can also be found.

The Governor's proposal also conditions the allocation of \$2.2 billion in climate investments upon the Legislature's 2/3 urgency vote to continue the Cap-and-Trade program. We believe it is prudent for the Legislature to continue to assess the program's effectiveness in reducing greenhouse gases and actualizing benefits to disadvantaged communities, and to consider alternative mechanisms to achieve the same goals. We are encouraged to see the Administration take seriously the mandate in AB 197 (E. Garcia) to prioritize direct pollution reduction from large emitters; however, the proposed budget is silent on how the Administration will ensure such strategies directly benefit Californians hardest hit by pollution. All greenhouse gas emissions reduction programs should be driven by strong equity measures in order to ensure that the benefits of California's future climate investments go to address the health, economic, and environmental needs of the state's poorest communities.

K-12 Education

It is evident the Governor is being cautious in this budget proposal and we are thankful there are no cuts. With the federal landscape so unsettled and an apparent deficit looming for the first time in five years, this situation could change fast and compromise our ability to deliver on the promise of educational equity for low-income students, English learners, and foster youth. We must keep in mind, however, that full implementation of the Local Control Funding Formula (LCFF) is still inadequate funding to meet the needs of *all* students. California ranks 40th on the *QualityCounts* annual report card of states in school funding.

The budget includes the deferral of education funds to schools for services already provided, something that we do not think is wise even if the deferral is short (\$859.1 million in LCFF from June 2017 to July 2017), and is repaid immediately as proposed. We certainly welcome the slight increase to education in the budget, including some new proposed spending —\$2.1 billion (from COLA for LCFF and categorical funds that are outside LCFF, small one-time discretionary funding). We hope the proposed stakeholder process exploring special education funding reform referred to in the budget proposal includes serious consideration of remedying the shortage of teachers prepared to teach students with special needs.

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Public Advocates Inc. is a non-profit law firm and advocacy organization that challenges the systemic causes of poverty and racial discrimination by strengthening community voices in public policy and achieving tangible legal victories advancing education, housing and transit equity. For more information, see www.publicadvocates.org.