



League Budget Update #20: October 10, 2008

No immediate special legislative session: Mid-year cuts likely

During a meeting between legislative leaders and the governor on Wednesday, no plans were made to return to legislative session to take corrective actions to address plummeting state revenues. First quarter revenues fell \$1.1 billion (-5.4%) below revenue assumptions included in this year's state budget. There is now wide belief that the current year budget is out of balance by at least \$5 billion.

The Department of Finance is preparing several scenarios, which likely include both revenue/tax increases and mid-year budget cuts, but it appears that they will not be proposed until the governor proposes the 2009-10 budget by January 10. K-12 business officers were warned to "prepare for the worst" by their association this week, although no specific amounts of proposed cuts to Proposition 98 spending have emerged.

Yesterday, at Lassen College in Susanville, a recently unemployed 47-year old woman who is a first-time college student asked me whether the state's budget problems would lead to cuts that would threaten her education. While I told her I could not make any promises, I committed that we would fight hard against the illogical budget cuts that reduce enrollment and slash important programs that are helping students and local businesses alike. That state simply can't afford another reckless budget cycle where we cut 300,000 students from our community colleges.

While the threats of mid-year cuts may not be clear until January, the League and other community college leaders will be meeting in November to discuss an aggressive advocacy strategy. Additionally, a special focus session has been added to the [League's Annual Convention](#) in Anaheim in November to provide the latest budget information and to hear how districts are coping with the uncertainty.

Greetings from Feather River College in Quincy, where the fall snow flurries remind me of the great diversity of communities that are counting on us to keep up the fight for community colleges,

A handwritten signature in cursive, appearing to read "Scott".