

California budget

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California Budget Crisis Rozlyn Brown Comm/215 BSDC0TEBB5 Michele Watson ? Poormoneymanagement of the State of California has caused people to suffer. The global recession has caused California and many other states to plummet. In the Los Angeles Times California deficit is said to be \$25. 4 billion according to the states chief analyst. The state of California has taken drastic measure to fix this problem. Fixing the problem includes layoffs of 4, 500 state/government employees, furlough, minimum wage, and cutting of many state funded programs.

Fifty days into this fiscal year, there still not a budget signed and in place. At this time they are not able to come up with an agreement. This has been a very difficult time for all Californians. California needs to balance the budget correctly. The answer to fixing the budget is not hurting the agencies that have help the state rather than hurt them. On December19, 2008 the Department of Personnel Administration was ordered to start layoffs for civil service employees. That would take effect January 1, 2009 through June 1, 2009.

They were also ordered to implement a furlough program. A furlough is unpaid time off given to government employees for the purpose of reducing the state's budget. Arnold Schwarzenegger adopted a furlough program that would affect 200, 000 civil service employees starting February 2009. This program would make all state employees work two days a month free. When the results were still the same the two days a month quickly went to three days. The three days became effective July 1, 2009 that would continue until June 30, 2009.

Those three days caused a 14% pay cut for employees. That caused a problem within itself. Everyone suffered due to the furloughs. Homes, cars, businesses, were lost. The state believes that furloughs would help save the state a great deal of money. According to the IVN furloughs has been costing the state \$465 million in lost tax revenue. The state has reported to have saved three billion dollars due to the furlough program. State employees dispute the states claims. This rogram has caused government operations to close the second, third, and fourth, Friday of each month to save money beginning August 10, 2010. Everyone is not affected by this program. California Highway Patrol, California Department of Fire, and Forestry Protection, Franchise Tax Board, Board of Equalization, Employment Development Department, state Insurance Fund, California HousingFinance, and California Earthquake Authority are departments that are exempt from the furlough program. Bargaining units 12, 16, 18, and 19 have all came to agreements with proposal that have been made.

Those not exempt or in bargaining unit that are pending contract the state controller stated he would have to reduce civil service employees' wages to federal minimum wage which, is \$7. 25 per hour. As a state employee working at Patton State Hospital as a Psychiatric Technician, I am part of bargaining unit 18. Bargaining unit 18 is one of the few units pending the government contract proposal. Although the proposal is in place the government still has the authority and still continuing with the furlough program.

To this day state employees have been furloughed a total of 46 days. In a 24 hour facility it is impossible to take any furlough days off. Due to that reason

alone a number of unions have sued to have the furlough program stopped. The Supreme Court has upheld governor Schwarzenegger's furlough program to stay in place. Legislation are pushing the unions to accept the contract proposal that member would accept contributions more of their salaries toward pension benefits and to take a day of unpaid personal leave a month which, will equal a 10% pay cut.

Fifty days into this fiscal year the State Controller John Chang stated he would issue IOU's if the budget is not signed soon. At this time money state workers are suffering due to the government's poor money management. California will not be on track until the people managing the money figures out a way to manage the money properly.

References Los Angeles Times, November 10, 2010 Retrieved from www.latimes.com Christopher A. Guzman, IVN, February 16, 2010 Retrieved from www.caivn.org Wake County Budget Finance, Retrieved from www.wakegov.com/economy/glossary