



CARA Alert – March 2009

A publication of the California Alliance for Retired Americans

ROUND 2 OF THE BUDGET BATTLE IS AT THE BALLOT BOX SPECIAL ELECTION SET FOR May 19th - VOTE NO on PROP 1A

After long and intense negotiations, the California Legislature passed a 2009-2010 budget package on February 19, 2009 which the Governor signed the next day. The budget package made up of over 30 bills is primarily based on a framework developed by Governor Schwarzenegger and legislative leaders. This budget further cut essential programs and services that California seniors, low income people, and working families depend on – on top of the horrendous cuts that were part of the 2008-2009 budget. Many legislators were patting themselves on the back for finally passing a budget – a budget that they should be ashamed of!!!

With the state facing a \$41 billion deficit through June 2010, the current budget fills the gap through a series of spending cuts, tax increases, borrowing, and federal stimulus funds. The package also included several tax, budget and policy changes not related to closing the deficit - many providing tax breaks to the wealthiest California individuals and corporations.

More specifically, the budget includes: **\$14.9 billion in spending reductions** (in addition to the \$19 billion in cuts over the past three years); **\$12.5 billion in new and increased, but temporary, taxes** (including a one cent increase in sales tax, adding a surcharge on state income taxes while reducing the allowed dependent tax credit, an increase in the vehicle-license fee); **\$7.8 billion in federal stimulus revenue** ; an **\$5.4 billion in borrowed funds**, including from the state lottery.

THE ROLE OF FEDERAL ECONOMIC RECOVERY FUNDS:

Although the budget contains a number of spending cuts, it also contains a mechanism to restore some of those cuts using federal funds authorized by the American Recovery and Reinvestment Act of 2009 (ARRA) signed by President Obama on February 17, 2009. The mechanism requires that in order to restore cuts, the state must receive at least \$10 billion in federal funds to offset General Fund costs. The precise amount of federal stimulus funds for California is still being determined, however, the Director of Finance and the Treasurer must determine by April 1, 2009 whether federal funds meet the \$10 billion threshold to trigger off the spending cuts.

THE ROLE OF CALIFORNIA VOTERS: May 19th SPECIAL ELECTION VOTE NO on PROP 1A

In order to piece together a budget and secure the legislative votes to pass it, the current budget contains provisions that will be subject to vote on a May 19, 2009 ballot. CARA is in the process of analyzing all of the proposals before making our formal recommendations on these ballot measures – accept Prop 1A – Vote NO. You can be sure that CARA will be focusing much of our time and resources educating the public about the impacts of these measures over the next two months. Seniors will play a pivotal role in deciding the future of California on May 19th, and we plan on making our voices heard. For now, here is a brief summary of the ballot measures:

CA Single Payer Bill Reintroduced as SB 810 (LENO)- Its' Time to Organize

The Single Payer health care bill (formerly SB 840 –Kuehl) has been introduced by Senator Mark Leno. We were holding out to try and get the same number, but alas, the new number is SB 810. However, SB 810 is starting off with a strong show of support from 41 members of the California Legislature who have already signed on as co-authors.

The first press conference for SB 810 is scheduled for March 11th at 10am in Sacramento. There will be carpools going from many Bay Area and Central Valley locations (call CARA at 510-663-4086 to find out if there are any carpools from your area).

What You Can Do to Help Make Single Payer a Reality in California:

1. **Make sure your organization writes a letter in support of SB 810** (on your letterhead, and signed by an officer of your group). Send your letter to Senator Mark Leno, State Capitol, Sacramento, 95814 or via mail to Senator Leno at Sara.Rogers@SEN.CA.GOV. If you need a sample letter to use, go to the CARA website at www.californiaalliance.org under legislative issues and you will find CARA's letter to use as a template.
2. **Get your Assemblymember and Senator to be a co-author of SB810.** Below is a list of the first 41 co-authors of the legislation. We would like to get at least 50% +1 of all members of the Assembly and Senate (41 in the Assembly and 21 in the Senate) to be co-authors. This will ensure the passage of the bill and get it to the Governor's desk.
3. **Speak to Other Groups about SB 810.** Last year, SB 840 had over 500 organizations listed as supporters. We need to top that number. Now is the time to go to your local congregations, neighborhood groups, senior centers and senior buildings, school districts, City Councils, Small businesses and local Chambers of Commerce and ask to present SB810 and get them to support it. CARA has materials available to help you with your presentation.

SB 810 Senate Co-authors: (Principal coauthor: Senator Alquist), Senators Cedillo, Corbett, DeSaulnier, Florez, Hancock, Lowenthal, Padilla, Pavley, Romero, Steinberg, Wiggins, and Yee.

SB 810 Assembly Co-Authors: (Principal coauthors: Assembly Members Ammiano, Huffman, and Yamada), Assembly Members Bass, Beall, Block, Blumenfield, Brownley, Chesbro, Coto, Davis, De La Torre, Eng, Evans, Feuer, Hayashi, Jones, Bonnie Lowenthal, Ma, Mendoza, Nava, Price, Ruskin, Skinner, Solorio, Swanson, Torlakson, and Torrico.

CARA Leadership Academy : June 1st – 3rd at Mercy Center in Burlingame

The next 2 ½ day session of CARA's popular training program is scheduled for June 1st -3rd. The cost is \$250 for tuition, room and board, and materials. This will be the last session of the Leadership Academy held in Northern CA in 2009 – you don't want to miss it. Sign up today – space is limited. Some scholarships are available. Call CARA at 510-0663-4086 to get more information.

OCTOBER 20 & 21ST - CARA'S 6TH ANNUAL CONVENTION IN L.A.

CARA's 6th Annual Convention will be held at the Hacienda Hotel in El Segundo (near LAX), on October 20th and 21st. Please put these dates in your calendar today.

The Alliance for Retired Americans is holding their Legislative Conference in Washington DC on June 15-18th. It will be held at the Hilton Washington and Towers. Registration is \$80 plus \$85 for the banquet. You can register online at www.retiredamericans.org