Policy Brief
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LAO

An Overview of the 1992-93 Governor's Budget

The 1992-93 Governor's Budget proposes significant spending reductions and other actions to close a $6 billion budget gap. However, his plan represents a risky strategy that leaves many gaps to be addressed.

INTRODUCTION

Just six months after acting to close a $14.3 billion gap in the 1991-92 budget, the Legislature faces a current-year deficit and another budget-year funding gap. The extended recession has undermined the 1991-92 budget estimates, which assumed that recovery would begin in mid-1991. If no action is taken, the General Fund will end the current year with a deficit of $2.8 billion, and will be at least $6 billion short of the amount needed to pay off that deficit, maintain state programs at their current levels, and establish a prudent reserve.

The *1992-93 Governor's Budget* proposes a number of significant spending reductions and other actions to close the budget gap, but overall it represents a risky strategy that virtually assures a 1992-93 deficit. There are three primary reasons for this:

- The budget's revenue estimate is based on an economic forecast that now appears too optimistic.
- The budget's savings proposals consistently rely on optimistic assumptions and are likely to fall short of their targets.
- The proposed budget reserve for 1992-93 is only $105 million, which is far too small an amount to adequately protect the budget against further revenue shortfalls and expenditure increases.

This policy brief summarizes the current fiscal outlook and the major proposals in the Governor's budget plan. It provides an assessment of that plan and describes additional steps that need to be taken to arrive at a fiscally sound 1992-93 budget.

THE FISCAL SITUATION

The Current Year

The 1991-92 budget adopted last July was designed to resolve a massive two-year budget gap that had grown from $7 billion as identified in the Governor's January 1991 budget proposal to $14.3 billion by May. Part of that gap was due to an underlying structural budget problem -- the growth of spending for some of the state's major programs was outpacing normal ongoing revenue growth. However, the gap was primarily due to the national recession that started in mid-1990.

The 1991-92 budget plan was based on the assumption that the recession had ended, and that a resumption of economic growth would enable the state to end 1991-92 with a reserve of $1.2 billion. Instead, the recession has continued, and the state once again faces a large gap between estimated revenues and expenditures.

Cumulative General Fund revenues during the three-year period 1990-91 through 1992-93 have dropped by roughly $20 billion.

Figure 1 compares the July 1991 budget estimates for 1991-92 with those just released in the *1992-93 Governor's Budget,* adjusted to exclude the spending reductions and revenue enhancements proposed by the budget to mitigate the anticipated current-year deficit. As these data show, the budget anticipates that, absent any corrective action, the Special Fund for Economic Uncertainties (the General Fund reserve) will end 1991-92 with a *deficit* of about $2.8 billion, rather than a $1.2 billion reserve. This represents a deterioration of *$4 billion* in the state's fiscal situation since enactment of the 1991-92 budget plan in July.

The Economic Outlook

The Department of Finance budget forecast assumes that the end to the recession is imminent -- the forecast calls for a "mild" recovery in California, starting in the first quarter of 1992. Figure 2 shows the department's current forecasts for employment and personal income and illustrates how those estimates have declined since the onset of the recession in mid-1990. For instance, the forecast of wage and salary employment in the fourth quarter 1992 has fallen from 13.9 million jobs (July 1991 forecast) to 12.6 million jobs (January 1992 forecast).

The forecast assumes that employment levels, which declined significantly in 1991, will increase by 0.6 percent in 1992 and by 2.7 percent in 1993. Personal income, which was flat in 1991, is forecast to increase by 4.9 percent in 1992 and by 6.9 percent in 1993.

Forecast is Optimistic. The economic forecast for the 1992-93 Governor's Budget was prepared in late November. Since then, economic weakness has persisted and there has not been any sign of an immediate recovery. The budget document cautions that an upturn could be delayed for at least several months. The budget acknowledges that "a persuasive argument" can be made that a national economic recovery will not begin until early 1993, because "an upturn is unlikely to start while employment is shrinking." Thus, the administration's forecast is an optimistic one with considerable downside risk.

Figure 1

1991-92 General Fund Condition Deteriorates Since July 1991

(in billions)

	Estimate Date July 1991	Estimate Date January 1992	Change
Carryover of 1990-91 deficit	-$1.7	-$1.7	
Revenues and transfers	46.3	43.3[a]	-$3.0
Total resources	$44.6	$41.6	
Expenditures	43.4	44.4[b]	$1.0
Reserve[c]	**$1.2**	**-$2.8**	**-$4.0**

[a] Governor's Budget estimate adjusted to remove $307 million of proposed 1991-92 revenue enhancements and transfers.

[b] Governor's Budget estimate adjusted to restore $732 million of proposed savings and funding shifts.

[c] Special Fund for Economic Uncertainties.

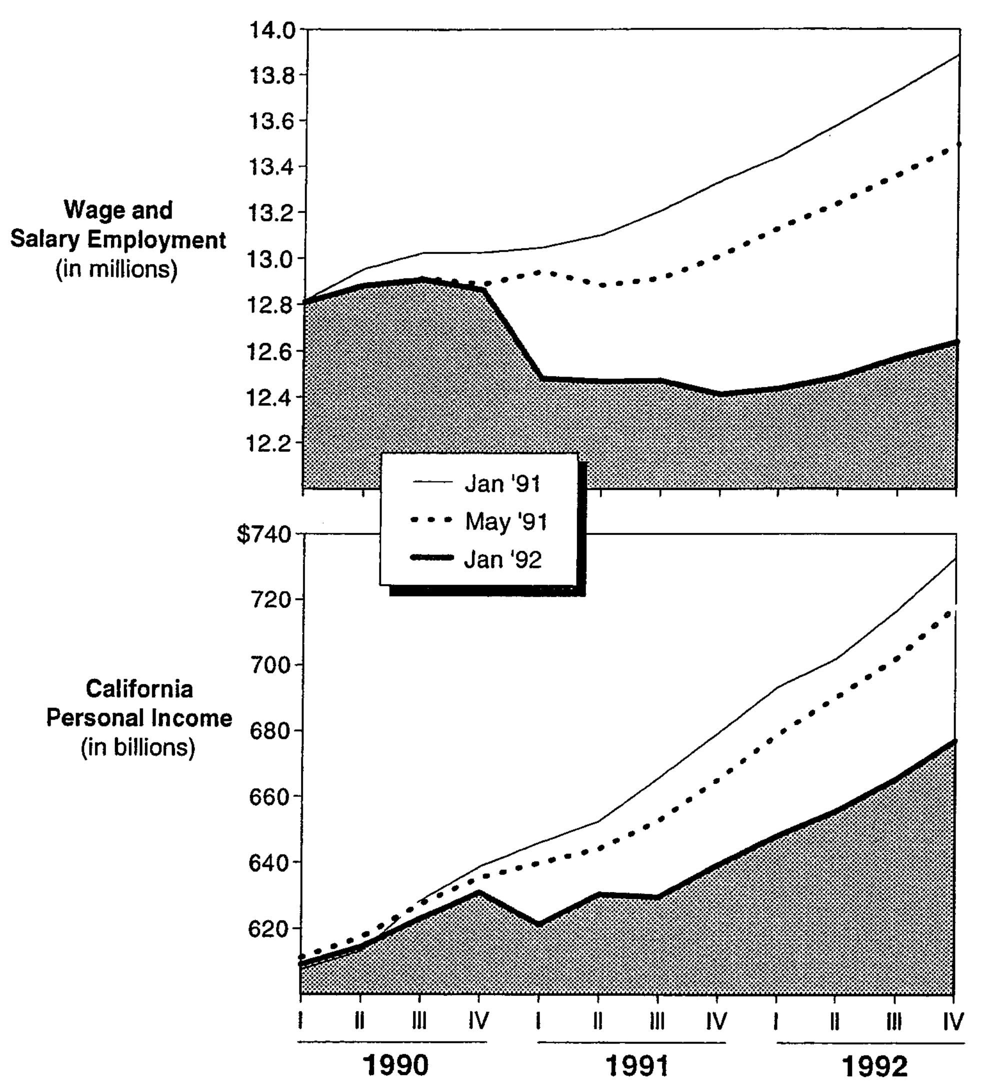
The 1992-93 Revenue Forecast

The administration estimates that General Fund revenue will grow from $43.6 billion in the current year to $45.7 billion in 1992-93, an increase of 4.7 percent. However, when 1991-92 and 1992-93 revenues are adjusted to eliminate the Governor's proposed revenue enhancements and a one-time accrual accounting gain in the current year, the increase in underlying revenue is 8 percent.

Revenue from the "big three" taxes that account for more than 90 percent of General Fund revenue -- the Personal Income Tax, the Sales and Use Tax, and the Bank and Corporation Tax -- grows

Figure 2

Declining Forecasts Reflect Prolonged Recession



Source: Department of Finance.

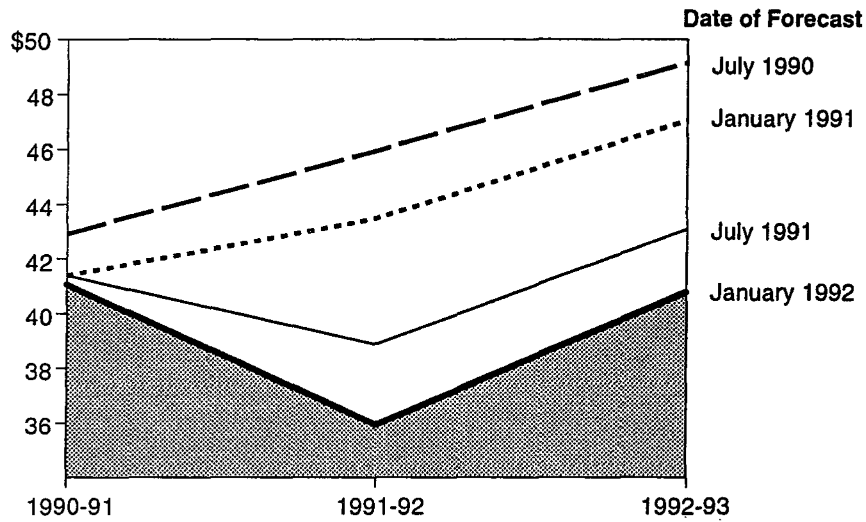
10.5 percent in the budget estimate (after accrual adjustments). Of the three taxes, the projected growth in bank and corporation tax revenues is the highest -- about 16 percent. These estimates reflect the department's assumption that revenues will "rebound" from their low recession levels during the expected recovery, consistent with the state's experience following earlier recessions.

Figure 3 shows how the Department of Finance's revenue estimates have changed since the last pre-recession estimate in July 1990. (These estimates exclude the effects of tax increases and other revenue enhancements enacted in 1991 and proposed for 1992.) For example, the July 1990 budget forecast projected 1990-91 revenues of just under $43 billion whereas the January 1992 figure shows actual

Figure 3

Estimates of General Fund Revenues Have Declined Significantly

(in billions)



Source: July 1990 forecast is LAO extrapolation of Department of Finance 1990-91 estimates. All other figures reflect LAO adjustments to the department's estimates in order to remove the effects of revenue changes enacted in 1991 and 1992.

The recession is the primary cause of the state's current fiscal problems

1990-91 revenues of about $41 billion. Comparing the pre-recession forecast with the January 1992 forecast, the figure shows that cumulative General Fund revenues during the three-year period 1990-91 through 1992-93 have dropped by roughly *$20 billion.* Clearly, the recession has had an enormous impact on the state's fiscal condition, and is the primary cause of the state's current fiscal problems.

Spending Pressures Continue to Grow

While the recession has significantly reduced revenues, it has had the opposite impact on certain spending programs. Caseloads in the state's health and welfare programs, for example, have been growing *more* rapidly as people lose their jobs or cannot find employment and must seek assistance. Other spending pressures are independent of the economy. For example, education spending increases to keep pace with the school-age population, which is growing almost twice as fast as the state's total population.

Our latest projections indicate that baseline spending in 1992-93 would require $47.1 billion, an increase of $2.7 billion over current-year spending (excluding changes proposed in the budget) and $3.3 billion more than the amount of spending actually proposed in the budget for 1992-93.

1992-93 Budget Gap: $6 Billion

As shown in Figure 4, we estimate that the 1992-93 budget gap totals $6.0 billion. This amount consists of the carryover deficit from 1991-92, the shortfall between baseline spending and estimated revenue, and the amount needed to restore the General Fund reserve to a level comparable to that approved in the 1991-92 budget plan. This estimate uses "baseline" spending projections that we have

Figure 4

1992-93 Budget Gap[a]

(in billions)

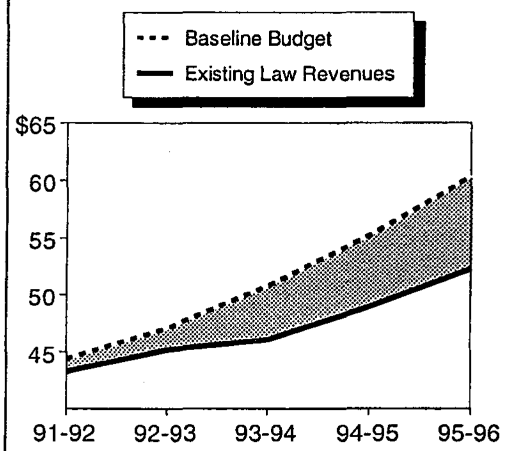
Pay off deficit from 1991-92		$2.8
1992-93 baseline spending	$47.1	
1992-93 estimated revenue[b]	-45.2	
Operating shortfall		$2.0
Restore reserve		$1.2
Total budget gap		**$6.0**

[a] Excludes Governor's Budget proposals. Detail does not add to total due to rounding.
[b] Based on administration's revenue forecast.

Figure 5

Budget Funding Gap Grows Over Time 1991-92 through 1995-96

(in billions)



updated from those we developed for our December policy brief entitled *The State's Fiscal Problem,* which explained our methodology. For this calculation, we have used the Governor's Budget estimates of revenue (excluding his proposed changes) as our base.

A Growing Long-Term Problem

As we pointed out in *The State's Fiscal Problem,* the annual operating shortfall between baseline spending and baseline revenues becomes progressively larger after 1992-93. Figure 5 illustrates the widening shortfall using our latest projections. By 1995-96, the operating shortfall has increased to more than $8 billion.

The shortfall widens considerably in 1993-94 for several reasons. Revenue growth slows because the temporary half-cent sales tax rate will have expired, and because deductions for business net operating losses will once again be available (they were suspended for the 1991 and 1992 tax years). Spending growth, however, accelerates. Education spending rises rapidly as increased per capita personal income begins to push up the K-14 funding requirement under Proposition 98. Also, the state's General Fund cost for retirement contributions will jump in 1993-94 because special retirement funds used to offset contributions in 1991-92 and 1992-93 will be exhausted by then. After 1993-94, the shortfall continues to widen because of the ongoing disparity between baseline spending growth and the rate of revenue growth.

THE GOVERNOR'S BUDGET PROPOSAL

Figure 6 shows the Governor's proposed levels of spending and revenue for 1991-92 and 1992-93 and the resulting condition of the General Fund. Estimated General Fund revenues increase by 4.7 percent over the current year, but the additional revenue is needed to pay off the 1991-92 carryover deficit. Total spending is essentially unchanged at $43.8 billion, which is only $99 million more than current-year estimated spending. On its own terms, the budget is balanced, but by only the slimmest margin. At the end of 1992-93, the budget estimates that the balance in the reserve will be $105 million -- or about 0.2 percent of 1992-93 estimated revenues.

On its own terms, the budget is balanced, but by only the slimmest margin.

Figure 6

Governor's Budget General Fund Condition

(dollars in millions)

	1991-92	1992-93	Percent Change
Prior-year balance	-$1,258.9	-$1,343.8	--
Revenues and transfers	43,633.3	45,673.1	4.7%
Total resources	$42,374.4	$44,329.3	4.6%
Expenditures	$43,718.2	$43,817.0	0.2%
Fund balance	-$1,343.8	$512.3	--
Reserve[a]	**-1,781.3**	**105.4**	**--**
Other obligations	437.5	406.9	--

[a] Special Fund for Economic Uncertainties.

How the Budget Resolves the Spending Gap

Figure 7 shows how the budget proposes to resolve the $6 billion funding gap that we identified above. The largest contribution to resolving the gap comes from program reductions, which provide a total savings of $2.8 billion (net of about $100 million of new spending proposals). The largest component of these savings is from the Governor's proposals to reduce welfare costs for Aid to Families with Dependent Children (AFDC). Shifting program costs to others -- primarily to local governments and the federal government -- provides $1.2 billion, and increased revenues and transfers to the General Fund provide $0.8 billion. These proposals total $4.8 billion. The remaining $1.2 billion of the spending gap is absorbed by not restoring the reserve.

About $1.0 billion of the budget's gap solutions would be realized in 1991-92. This reduces the deficit carried over from 1991-92 into 1992-93, from $2.8 billion to $1.8 billion.

Major Policy Proposals

The budget proposes a number of major policy changes, particularly in the welfare and health areas.

Welfare Proposal. The budget proposes enactment of the AFDC provisions of the Governor's welfare initiative in time for those provisions to be implemented by March 1, 1992. The budget includes net savings of $72 million in 1991-92 and $638 million in 1992-93 due to these AFDC changes. Figure 8 (see page 8) shows the major AFDC program changes proposed by the Governor.

Medi-Cal Reductions. The budget proposes the elimination of several federally optional services, including adult dental care, psychology, chiropractic and podiatric services and occupational therapy, for a General Fund savings of $109 million. Payment for hospital stays would be limited to 60 days per year for a savings of $61 million, and other limits on provider rates and payments would save an additional $65 million.

Proposition 98. The budget meets the minimum funding requirement for K-12 education and the community colleges under Proposition 98. However, the budget does propose two adjustments that affect the state's costs.

First, the budget proposes a $183 million reduction in current-year expenditures to take advantage of a decline in the minimum funding requirements of Proposition 98. The shortfall in current-year revenues has reduced the 1991-92 minimum payment relative to the amount appropriated in the budget. The state would not actually reduce allocations to school districts in the current year. This would be implemented by "loaning" the $183 million to school districts in the current year but counting it toward the 1992-93 minimum guarantee.

Second, the budget proposes enactment of legislation to reallocate an estimated

Figure 7

Budget's Proposed Resolution of the 1992-93 Spending Gap[a]

(in billions)	
Program Reductions	
AFDC: Welfare proposals	$0.7
State employees: No COLA, reduce pay and health benefits	0.5
Eliminate renters' credit	0.4
UC/CSU: Eliminate COLAs and other adjustments	0.3
Proposition 98: Reduce 1991-92 funding	0.2
Medi-Cal: Limit optional benefits, inpatient days and rates	0.2
Defer lease revenue bond payments	0.1
Other	0.5
New program proposals	-0.1
Subtotal	**$2.8**
Funding Shifts	
To local governments	$0.5
To federal government	0.5
To Proposition 99 (Medi-Cal)	0.1
To fees	0.1
Subtotal	**$1.2**
Increased Revenues	
Transfers from special funds and bond funds	$0.5
Eliminate health care tax credit	0.1
Increased audit and collection efforts	0.2
Other	0.1
Subtotal	**$0.8**
Reserves	
Reduce reserve level	**$1.2**
Total	**$6.0**

[a] Estimates include impacts in both 1991-92 and 1992-93. Detail may not add to totals due to rounding.

$347 million of property tax revenue away from enterprise special districts (such as water and sanitation districts) to school districts. These funds would reduce the state's funding obligation under Proposition 98. In effect, this proposal shifts $347 million of education costs from the state General Fund to the residents of these special districts, who will be asked to offset the property tax losses with increased user charges and special assessments.

Renters' Credit. The renters' tax credit would be eliminated starting in 1992 for a savings of $376 million. In 1991, legislation limited eligibility for the credit to renters with incomes of less than $41,000 (joint) or $20,500 (single).

New Programs. The budget proposes a limited amount of additional spending for new programs -- about $100 million. It also proposes new programs that are funded by redirections of existing funds and by reallocations within the

Figure 8

Governor's Welfare Proposal
Budget Estimates of Impact on General Fund[a]

(in millions)

Savings	1991-92	1992-93
Reduce maximum grant by 10 percent[b]	$81	$287
Transitional grant: Reduce grant by additional 15 percent after 6 months on aid[b]	--	252
No grant increase for additional children while on aid[b]	--	16
Residency: Limit grant to home-state amount for 1 year[b]	2	15
Eliminate pregnancy benefits	6	38
Estimated savings from reduction in dependency	--	70
Subtotals, savings	**$89**	**$679**
Costs		
County and state administration	$12	$11
Job Club employment workshops	--	15
Child care for children of teens attending school	6	15
Subtotals, costs	**$18**	**$41**
Net savings in budget	**$72**	**$638**

[a] Detail may not add to totals due to rounding.
[b] Federal waiver needed.

Proposition 98 minimum funding guarantee. These proposals generally continue the Governor's emphasis on prevention programs and include the following:

- *CheckUp ($20 million).* Establishment of a subsidized insurance program to provide access to basic health services for low-income infants and preschoolers.
- *Healthy Start and Early Mental Health ($30 million).* Expansion of these programs, which seek to prevent and treat health and mental health problems among schoolchildren.
- *Parole Failure Prevention ($13.5 million).* Augmentation to provide shelter, employment preparation, drug treatment, and other services to parolees in order to prevent parole violations and reincarcerations.

DOES THE BUDGET WORK?

In evaluating how well this budget works as a fiscal plan for the state, we have asked four questions:

- What are the risks? How likely is the budget to perform as planned?
- Is the size of the reserve commensurate with the amount of risk?
- Does the budget take steps to resolve long-standing fiscal problems?
- Does the budget resolve the state's structural budget problem?

Major Downside Risks

The budget contains major downside risks, which generally fall into the following categories:

- *Optimistic Revenue Estimate.* A brief delay in the timing of the state's economic recovery until mid-1992 would reduce state revenues by at least $1 billion. An extension of the recession through 1992 could reduce current- and budget-year revenue by perhaps $3 billion.

- *Uncertainty of Federal Waivers and Their Timing.* Several of the Governor's major AFDC proposals require waivers of federal requirements before they can be implemented. In addition to the risk that some waivers may be denied, the time needed to obtain waivers could delay implementation beyond the dates assumed in the budget.
- *Speculative Sources of Funding.* The receipt of some funds included in the budget is highly speculative. There is no assurance, for example, that the state will receive $404 million of federal SLIAG grants that the budget relies upon to offset General Fund costs.
- *Questionable Fund Diversions.* Some proposed uses of funds may be prohibited by the provisions of initiatives (for instance, the proposed use of Proposition 99 funds), and others involve policy changes that the Legislature may not find acceptable (for example, the use of Transportation Planning and Development monies to repay the General Fund for debt service).
- *Uncertain Timing of Legislation and Other Actions.* Many of the budget proposals require legislation (for example, elimination of the renters' credit) and/or regulatory and administrative actions (for example, savings associated with refinancing lease-revenue bonds) in order to be implemented and achieve savings. The budget's accelerated schedule of that savings is optimistic.

Figure 9 summarizes the major budget risks that we have identified to date and their potential General Fund impact, which totals up to $5 billion. The risks identified in Figure 9 do not include any possible losses due to potential delays in the enactment or implementation of budget proposals by state agencies (such as the 5 percent pay cut that the budget assumes is effective January 1, 1992).

Budget Reserve is Inadequate

The variety and magnitude of the spending and revenue risks in this budget would necessitate a reserve substantially more than the budget's $105 million level

Figure 9

Identified General Fund Risks 1992-93 Budget

(in millions)	Amount[a]
Economic recovery -- delayed until 1993	$3,000
PERS: Availability of special retirement funds	760
AFDC: Inability to implement proposals	530
SLIAG: Availability of federal funds in doubt	404
Medi-Cal: Proposition 99 perinatal program funding	123
Medi-Cal: Court decision on dental costs	76
Lease-revenue bonds: Treasurer may decline to refinance	60
Elk Hills Oil Revenues: No transfer is likely	45
Total	**$4,998**

[a] Reflects 1991-92 and 1992-93 amounts combined.

We conclude that the Governor's Budget is, for all practical purposes, unbalanced and incomplete.

to cover what are almost certain to be significant revenue shortfalls or spending increases. In fact, given these risks, a reserve of more than $2 billion could be technically justified even though it is practically unattainable. If, on the other hand, the Legislature adopts a budget plan with far fewer downside risks, a reserve somewhat below the customary 3 percent of expenditure level is reasonable on a temporary basis.

Budget Does Not Address Some Long-Standing Problems

The budget does not attempt to resolve a number of large outstanding fiscal problems, or, in some cases, exacerbates them.

- *Deferred Costs.* The state has accumulated a large backlog of deferred maintenance needs and it continues to accumulate large unfunded liabilities in some pension programs. For the most part, the budget continues these practices.
- *Deteriorating Fiscal Condition of Local Governments.* The fiscal condition of local governments also has been deteriorating during recent years. Local revenues have been reduced by the recession, and state allocations of realignment revenues to counties will fall short of last year's estimates by $150 million. The budget increases the local fiscal burden by shifting about $500 million of state costs to local entities -- primarily counties and enterprise special districts.

Long-Term Gap Remains

To what extent do the Governor's budget proposals help address the growing long-term gap between baseline spending and revenues and by how much do they reduce that long-term budget gap? In order to examine this issue, we assumed that all of the administration's spending proposals accomplish their intended effects and that the economic recovery materializes as forecast in the budget. Many of the Governor's budget proposals, such as the AFDC and Medi-Cal reductions, do have an ongoing effect that grows with time. They reduce the size of the ongoing gap, but they do not eliminate it. By 1995-96, the budget proposals still result in a gap of $4 billion, a reduction by one-half of the baseline funding gap of $8 billion.

Budget Needs More Work

On the basis of the concerns outlined above, we conclude that the Governor's Budget is, for all practical purposes, unbalanced and incomplete. Additional steps to reduce spending, increase revenues, and to bring the rates of growth of revenues and spending into balance are needed. We recently provided the Legislature with a report entitled *Options for Addressing the State's Fiscal Problem* (January 1992) to assist it in this effort.

HOW DOES THE BUDGET "STACK UP" AGAINST BUDGET BALANCING PRINCIPLES?

In *The State's Fiscal Problem,* we presented six fiscal principles that should guide budget decisions under current conditions. Below, we evaluate how the Governor's Budget measures up to these principles.

Make Significant Reductions in Major Programs

The budget does propose significant and specific reductions to the AFDC program and in Medi-Cal to a lesser extent. Savings also are achieved in higher education (UC and CSU), but primarily by not providing salary increases and by shifting more costs to fees, rather than by making specific program decisions. This leaves the Master Plan goals in place, but the institutions' ability to meet them in doubt. The budget does not make any significant reductions in K-14 education or in corrections, consistent with the Governor's priorities. However, together these two areas account for almost half of the General Fund budget, so that leaving them intact significantly increases the amount of reductions that must be made in other programs.

Restructure Programs

The budget proposes to restructure AFDC by instituting various changes in grant levels and authorizing new sanctions and incentives for various categories of recipients. The budget contains few other significant restructuring proposals.

Make Choices Rather than "Across-the-Board" Cuts

The budget clearly reflects policy choices that target reductions at specific programs. Furthermore, the budget proposes to suspend the "trigger" mechanism that would require automatic across-the-board cuts in many programs. However, in building the budget, most departments were required to absorb some costs, such as merit salary increases and equipment price increases, by making offsetting reductions. These reductions reflect priorities within departments, but do not reflect any overall budget priority.

Use One-time Solutions Appropriately

One-time savings or revenue increases can be used appropriately to finance one-time costs, such as paying off the 1991-92 deficit and restoring the reserve. The budget includes roughly $1 billion in one-time savings or revenues. Additional one-time solutions of up to roughly $2 billion could be used appropriately to pay off the deficit and to establish a prudent reserve. However, one-time solutions should not be used to address ongoing shortfalls in the budget because this would worsen the state's long-term fiscal imbalance.

Avoid Short-Term Savings that Increase Long-Term Costs

The budget generally avoids this pitfall, but there are a few exceptions. The budget proposes to refinance lease-revenue bonds to achieve a savings of $60 million of bond payments through 1992-93. This immediate savings, however, would result in an ongoing annual cost of $20 million for increased debt service on the replacement bonds, which would more than offset the short-term savings. The budget also defers various equipment purchases and maintenance expenses, which could result in higher future costs.

Examine Tax Base and Coverage

The budget eliminates the small business health care credit (which has never been implemented) and the renters's credit (although this is treated as an expenditure savings). Otherwise, the budget does not contain any proposals for expanding the tax base or the coverage of the state's tax system.

CHALLENGES FOR THE LEGISLATURE

The budget presented by the Governor leaves a great deal of difficult work to be done by the Legislature. Spending cuts and/or revenue increases will be needed in order to fill the gaps in the Governor's plan. Furthermore, additional actions will be needed to provide a higher reserve

Additional actions will be needed to provide a higher reserve level which takes into account the risks assumed in a final budget plan.

level which takes into account the risks assumed in a final budget plan. Also, more should be done to target the state's limited funds at the highest priority programs in all of the major program areas. Finally, the Legislature should reevaluate tax expenditures and the coverage of the state's tax system for options to increase revenues and weigh these against spending reductions. Figure 10 summarizes these challenges.

While dealing with the immediate task of crafting a budget for 1992-93, the Legislature also will need to keep its eyes on the state's long-run needs. California and its economy are changing rapidly. The state and local governments must improve their effectiveness and cooperation in order to provide the services and facilities needed to meet these changing conditions, provide for healthy economic growth and maintain a high quality of life for the state's diverse population. ❖

Figure 10

Challenges for the Legislature

Fill in the gaps left by the administration's budget plan:

- Make additional significant reductions in major programs.
- Increase reserve to prudent level commensurate with risks.
- Restructure major programs to enhance long-run effectiveness.

Act early to mitigate the current-year deficit and resolve the budget-year shortfall

- Open up the entire budget for review, reduce or eliminate activities that are low-priority or are not cost-effective.
- Review tax expenditure programs on the same basis as regular spending programs, and examine the coverage of the state's tax base.

Ensure that a longer-run perspective and a vision of California for the year 2000 and beyond remains present in budget deliberations by asking:

- How does the state ensure quality governmental services in the most effective manner?
- How can the ability of the state and local governments to deal with the problems of the future be improved?
- What steps need to be taken to ensure healthy economic growth in the future?

This Policy Brief was prepared by Dan Rabovsky, under the supervision of Peter Schaafsma. For additional copies, contact the Legislative Analyst's Office, State of California, 925 L Street, Suite 610, Sacramento, CA 95814, (916) 445-2375.