HIGHLIGHTS OF GOV. ARNOLD SCHWARZENEGGER'S REVISED BUDGET PROPOSAL:

Overview

• Attempts to close a projected $15.2 billion deficit and create a $2 billion reserve in a $101.8 billion budget

• Based on lower revenue projections across the board because of sagging economy.

• Eliminates proposal to release nonviolent prisoners.

• Eliminates 2,000 prison guard layoffs included in January plan.

• Allocates no money specifically for state employee raises, but could use reserve to fund them depending on negotiations.

• Restores roughly 40 percent of $4.8 billion cut proposed for schools in January budget and now meets minimum funding guarantee.

• Asks voters to approve budget change and approve new lottery rules at November election.
Revenue

• Assumes $5.1 billion in new revenue by borrowing against future lottery proceeds.

• Triggers 1-cent sales tax increase for up to three years if lottery measure fails.

• Borrows $547 million from other funds to help shore up the general fund.

• Shifts $827 million from gasoline sales tax fund used for public transit to pay for home-to-school transportation and repay transportation-related debt in general fund.

• Assumes student fee hikes of 10 percent at CSU and 7.4 percent at UC.

• Assesses a fee to fund emergency response programs that would average $12.60 a year in high-risk zones and $6.75 a year in low-risk zones.

• Eliminates proposal to close 48 state parks and limit hours at some state beaches, but raises user fees at some facilities.

Cuts

• Relies on $9.1 billion in cuts – up to 10 percent in some programs.

• Requires undocumented immigrants to meet a monthly eligibility requirement for emergency services for a $42 million savings.

• Limits health services to some legal immigrants – newly qualified immigrants and some permanent residents to save $86.7 million a year.

• Eliminates federal and state cost-of-living increases for low-income elderly, blind and disabled under the Social Security Income/State Supplemental Payment program.

• Cuts welfare assistance by 5 percent, or $36 a month reduction for a family of three.

• Maintains 10 percent cut to Medi-Cal reimbursement rates approved in February.