"Spending 45 percent more on prisons than universities is no way to proceed into the future. What does it say about a state that focuses more on prison uniforms than caps and gowns? It simply is not healthy. I will submit to you a constitutional amendment so that never again do we spend a greater percentage of our money on prisons than on higher education." (Gov. Schwarzenegger, State of the State Speech, January 6, 2010)

California universities are known around the world as the crown jewel of California’s education system. Until recent years, California’s priorities were clear: the state dedicated approximately 10 percent of its General Fund to higher education and just three percent on prisons. Today, California spends more than 10 percent on prisons and seven percent on higher education.

The Governor is proposing to change our state’s constitution to permanently ensure this never happens again. Currently, California taxpayers spend $18,000 more per prisoner than the ten largest states. Under the Governor’s initiative, no less than 10 percent of taxpayer money would be allocated to fund public institutions of higher education; and no more than seven percent of Californians money would be allocated to support of the state prison system. These mandatory limits would begin in the 2014-15 fiscal year.

Read More About the Governor's Proposal to Reshape Our Priorities to Shift Funding From Prisons to Universities
“First, you will receive a $500 million jobs package that we estimate could train up to 140,000 workers and help create 100,000 jobs.” (Gov. Schwarzenegger, State of the State Speech, January 6, 2010)

Governor Schwarzenegger’s proposals to foster a more business-friendly economy and create new jobs will:

1. **Create 100,000 New Jobs And Train An Additional 140,000 Californians With A New Job Creation Initiative**
2. **Streamline Regulations To Get Shovels In The Ground - Creating Jobs And Spurring Economic Activity**
3. **Extend The Home Buyer Tax Credit To Encourage Homeownership**
4. **Eliminate Sales Taxes On Green Tech Manufacturing Equipment To Increase Investment In California's Fastest Growing Economy**
5. **Eliminate Frivolous Lawsuits That Punish California's Small Businesses**

Read More About the Governor's Plan to Foster a Business-Friendly Economy and Create Jobs

“Federal funds have to be part of our budget solution because the federal government is part of our budget problem. When President Clinton was in office, California got back 94 cents on the dollar from the federal government. Today we get only 78 cents back.” (Gov. Schwarzenegger, State of the State Speech, January 6, 2010)

The Governor was clear that federal funds must be a part of the budget solution because the federal government is part of California’s budget problem. The Governor is committed to building a fair and equitable financial relationship with the federal government. California must be reimbursed for unfunded and under-funded federal mandates and relieved of the overly restrictive maintenance-of-effort requirements placed on our programs that prohibit us from living within our means. Our state must be freed from unfunded mandates to thrive and continue serving the people who need help the most.

Read More About the Governor's Plan to Make Federal Funds Part of the Budget Solution

“To strengthen the economy, which is the foundation of all jobs, we here in this chamber must reform California’s tax system.” (Gov. Schwarzenegger, State of the State Speech, January 6, 2010)

The current tax system is broken, outdated and in need of repair. The only certainty it brings are continued cuts to state services and calls for increased taxes. The boom and bust economic cycles the current tax system depends on has turned our state budgeting system into an unpredictable roller coaster ride that brings windfalls one year and painful deficits the next.
The Governor today encouraged the legislature to seize the opportunity to modernize and stabilize the tax structure while encouraging economic growth by taking up the bipartisan Commission on the 21st Century’s recommendations to restructure the way California funds state Government.

Read More About the Governor's Call for Tax and Pension Reform for a Stronger Future

“California has more returning veterans than any other state, so our state, as well as the federal government, has a special responsibility. You will see that in our agenda. We have a fundamental obligation to anyone who has shed or risked blood for this country...And if you look to the gallery, you will see some Californians wearing the uniform of our country who have just returned from Iraq and Afghanistan. To each of you, I say, welcome home.”

(Gov. Schwarzenegger, State of the State Speech, January 6, 2010)

Building On His Record Of Strengthening Employment And Economic Opportunities For California's Veterans, Governor Schwarzenegger Today Launched California’s Operation Welcome Home, A Statewide Outreach Initiative To Connect Each And Every Returning Combat Veteran To The Services That Can Help Them Transition Successfully From The Battle Front To The Home Front. Operation Welcome Home will put 300 recent veterans to work identifying and making direct contact with the 30,000 heroes returning to California annually to counsel them about benefits and transitional workforce training available to help them enter the workforce and transition to civilian life.

Read More About Operation Welcome Home