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**To:** All Faculty  
**Subject:** CFA Headlines - Special Nov 7: Gov seeks \$66M in Cuts to CSU

**CFA HEADLINES**

November 7, 2008 - SPECIAL EDITION FROM CFA

**GOV. SEEKS \$66 MILLION IN MID-YEAR CUTS TO CSU**

Combined with the \$31 million already given up by the Chancellor, the new mid-year cut would take CSU funding back to the governor's original January 2008 plan

Gov. Arnold Schwarzenegger unveiled before a special session of the state legislature Thursday his plan to remedy California's worsening fiscal state.

His latest plan – which remains just a proposal and must be passed by two-thirds of both the state Senate and Assembly before becoming law – seeks to balance the state's budget in the current fiscal year by enacting additional massive cuts to state services while raising taxes modestly.

He called the special session of the legislature, the governor says, because the state's financial situation continues to deteriorate, outstripping the state budget signed into law just six weeks ago by a deficit of about \$11 billion dollars.

The Governor proposes \$4.5 billion in cuts to the current year state budget, including:

- \$132 million in reductions to higher education, which includes a \$66.3 Million cut to the CSU
- \$2.5 billion in cuts to K-12 education
- \$273.9 million in cuts to CalWorks
- \$41 million in cuts to Medi-Cal Reimbursements in 2008-09 and another \$129.9 million in 2009-10

Also, the Governor proposed \$4.7 billion in new revenues – known in most circles outside of the Capitol as "taxes." These include:

- A temporary increase in the state sales tax (from 5 percent to 6.5 percent),
- New sales taxes on certain services
- Additional taxes on oil companies and alcoholic beverage sales

Although the governor's budget proposals must be adopted by the legislature, the governor can exercise his executive authority to impose a one-day-a-month work furlough on state workers and cuts to holidays and other compensation.

Since the CSU is a semi-independent state agency, over which the Chancellor and Trustees have authority rather than the governor, he cannot impose the furlough unilaterally on CSU employees.

"This is the opening salvo in the next budget fight," said CFA President Lillian Taiz, a professor of History at CSU Los Angeles. "Notwithstanding the Governor's proposal, he has brought no Republican votes with him so we are back to where we were in July and right now all solutions are on the table. We will fight for a resolution that is good for higher education and the future of California.

"While the governor pays lip service to the notion of 'economic stimulus,' this plan, especially cutting public higher education, would take our state in exactly the opposite direction. We know, and increasingly everyone else knows, the CSU is a critical part of the solution.

"The CSU creates the foundation for a revitalized economy. We are not going to sit by quietly while another axe drops on the neck of California's future," she said.

Taiz notes that the governor's latest proposal must be understood in conjunction with the budget signed in September. Evaluating the budget since September, 80% of the "solution" has come from cuts only.

"The revenue proposals are miniscule and fall heaviest on the middle class," says Taiz, noting the governor did not propose to restore taxes on luxuries such as yachts and airplanes.

Most observers think that there is little chance that the legislature will act during the special session. The session ends November 30 when the lame duck legislature goes out of existence. A new legislature - including members newly elected in the November 4 election - gavel to life on December 1, when all the action begins anew.

[Because the governor did not call the special session under the provisions of voter-approved Proposition 58, there is no timeline requiring action, there is no requirement that the only action taken can be cuts, and there is no unilateral authority granted to the governor to make cuts.]

Last summer Assembly Republicans refused to cooperate with the Republican governor, and held up adoption of a state budget some 85 days past the legal deadline to complete it. This special session involves the same cast of characters.

Taiz adds, "This is a grim situation and it could get worse. In January, the governor must present the budget plan for 2009-10 and the fight will go on.

"But, I want to say to the faculty of the CSU that change is coming. There are new ways of thinking in the air about our public institutions, about how we pay for them and how we support them and why we need them.

"We have hung in through many stormy times in the CSU, and CFA is determined that we will weather this one, too," Taiz says. "Stay in touch, get active however you can, contact your CFA campus chapter to help and get help.

See the governor's plans at  
<http://gov.ca.gov/index.php?/press-release/10966/>

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## WHAT YOU CAN DO

SEND EMAIL DESCRIBING HOW "CUTS HAVE CONSEQUENCES": Email to CFA your own example of how Cuts Have Consequences for the CSU's ability to deliver education. Please write us at [CutsHaveConsequences@calfac.org](mailto:CutsHaveConsequences@calfac.org)

LECTURERS, CONTACT CFA AS SOON AS YOU HEAR OF PROBLEMS: CSU Lecturers who hear that they may lose work should contact your CFA campus chapter immediately. Contact info is at [www.calfac.org/chapters.html](http://www.calfac.org/chapters.html) [<http://www.calfac.org/chapters.html>](http://www.calfac.org/chapters.html)

JOIN THE CSU COMMUNITY AT THE CSU TRUSTEES MEETING NOV. 18-19: Faculty members and supporters of the Alliance for the CSU are invited to the Nov. 18-19 CSU Board of Trustees meeting in Long Beach to speak out about the consequences of cuts on our campuses.

WHERE: Chancellor's Office, 401 Golden Shore, Long Beach.

TUESDAY, NOV. 18, 11 AM – 1 PM: On the Chancellor's Office patio, faculty, students, and staff will testify with examples of how "Cuts Have Consequences." The CSU Trustees are invited to listen during their lunch break.

- Wear your Alliance for the CSU tee shirt.
- Bring your own sign that expresses your views.
- If you wish, bring a written comment to share.

WEDNESDAY, NOV. 19, 9 AM – NOON: Join the crowd to support speakers who will address the Trustees on the consequences of the cuts to the CSU.

For information on attending the meeting either day, contact the California Faculty Association chapter on your campus.

Contact information is at: <http://www.calfac.org/chapters.html>