



1145 Wilshire Blvd., Second Floor
Los Angeles, CA 90017
(213) 977-7500 • Fax (213) 977-7595
www.apalc.org

PRESS RELEASE

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Contact: Hala Masri (213) 241-0215

Lawmakers Aim to Devastate Vital Services to Close Budget Deficit

Long-Term Solutions Absent from Budget Agreement

Los Angeles—Twenty-two days after California began issuing IOUs to businesses and local governments, a budget deal is making its way through the state legislature today that closes the state's \$26.3 billion shortfall. The agreement addresses California's fiscal crisis through borrowing from cities and counties, shifting costs into the future and cutting over \$15 billion in education funding, health services, assistance to struggling families and in-home care for seniors and disabled individuals.

“Although the agreement allows California to avoid a drawn out budget battle and therefore further cuts to safety net services, the budget deal abandons Asian and Pacific Islander families in the midst of a recession,” says Hala Masri, State Policy Advocate with the Asian Pacific American Legal Center. “These spending reductions will not only affect millions of Californians, they will plague our education system and devastate our health and human services for years to come.”

The budget deal decreases assistance to low-income families participating in the CalWORKs program by \$528 million and reduces in-home care to seniors and disabled individuals by \$226 million. Additionally, lawmakers cut \$4.3 billion from K-12 and community college education and \$3 billion from higher education. Health services, including the Medi-Cal and Healthy Families programs, are set to endure over \$1.4 billion in spending reductions. While slashing funding to critical services, the deal fails to include revenue increasing solutions.

“Governor Schwarzenegger is proud of the budget agreement, even though it targets vulnerable children and Asian and Pacific Islander seniors and fails to offer long-term solutions,” explains Karin Wang, Vice President of Programs with the Asian Pacific American Legal Center. “The deal is a massive step backwards in investing in our state and its future. Now, the budget deficit will continue to escalate and all Californians will suffer the consequences of misguided budget choices.”

“California's broken budget process will not be fixed through cuts to services on which we all rely,” says Stewart Kwoh, President and Executive Director of the Asian Pacific American Legal Center. “The state's unprecedented crisis demands revenue-based solutions and deep reforms to the budget process that will make effective government once again possible in the Golden State. Lawmakers must choose moral budget solutions that move California forward towards healthy communities and a strong economy.”

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