



## Press Release

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**NEWLY UPDATED CALIFORNIA BUDGET CHALLENGE: As Leaders Work to Close \$10 Billion Budget Shortfall, Voters Can Make Their Budget Priorities Known**  
*Online budget simulation allows voters to call the shots on taxes, prison reform, education funding and more*

San Francisco- As state leaders struggle to close a roughly \$10 billion budget shortfall, Californians can fire up their keyboards and tell lawmakers exactly how they think billions of taxpayer dollars should be spent. This morning a newly updated version of the California Budget Challenge ([www.budgetchallenge.org](http://www.budgetchallenge.org)), an online budget simulation tool, was launched.

“There are few decisions made in the state of California as important as the ones surrounding our budget. In the next few days, our state leaders will either cut or assign funding for everything from schools, to prisons, to healthcare,” said F. Noel Perry, founder of Next 10, the nonpartisan nonprofit organization that created the Challenge. “We want to be sure that voters not only understand the process, but we also want to empower Californians to tell our state leaders what their budget priorities are.”

Since it first launched seven years ago, more than a quarter million people have used the interactive California Budget Challenge, a budget simulator that allows users to create a budget by growing or cutting services, addressing taxes, and changing the way dollars are spent on state programs and services.

Policy options included in the updated version of the California Budget Challenge unveiled today reflect current proposals being negotiated in Sacramento right now. New choices in the 2011-2012 California Budget Challenge include:

- Changing the state’s criminal justice system by transferring prisoners out of state, shifting low-level offenders to counties, or modifying the Three Strikes law.
- Making deeper cuts to health and human service programs and reforming pensions—proposals that enjoy support from many Republicans.
- Extending the temporary increases in the sales tax and car tax – as favored by Governor Jerry Brown.
- Presenting several different approaches to capping overall spending that would set a limit on the amount the state plans to spend on services.

Next 10 is unveiling the newly updated California Budget Challenge at a budget forum at the Commonwealth Club today, in partnership with The New America Foundation and the Commonwealth Club. After learning about the different budget proposals being considered, participants will be supplied with hand-held clickers to give thumbs up or down to various



policy options. Budget experts including political strategist Dan Schnur, governance reform leader Jim Mayer, and KQED reporter John Myers will lead participants through the debate.

“There are a lot of well-paid lobbyists and wealthy special interests who can manipulate the budget process for their own purposes. The average voter just can’t compete, not only because they are shut out of the process but because most people simply don’t have the tools to navigate a system that’s intentionally designed to exclude them,” said Dan Schnur, Director of Jesse M. Unruh Institute of Politics at the University of Southern California.

“Tools like the California Budget Challenge that inform and engage voters can help even the playing field so that average Californians can have a say in how state government spends their tax dollars.”

“Our government has lost the public trust because it has been unable in many ways to deliver the basic level of performance that voters expect,” said Jim Mayer, Executive Director of California Forward, a bipartisan public interest effort to bolster democracy and improve the performance of government in California. “I firmly believe we will not see a change in this dynamic until we enact reforms that document results and more meaningfully engage Californians in how public resources are used.”

Facing a constitutional deadline of June 15th, lawmakers must bridge an almost \$10 billion budget shortfall after already enacting \$11 billion in budget solutions in March. The Budget Challenge projects this deficit will grow to \$10.5 billion in five years if no further changes are made. State Controller John Chiang recently announced that lawmakers will lose their salaries if they fail to pass a balanced budget by the 15th. In November, California voters made gaining a consensus on the budget easier for lawmakers by passing Proposition 25, which lowers the threshold for passing a budget from a two-thirds majority to a simple majority vote.

**\*Bloggers & Web Editors: Want to include a link to the California Budget Challenge in your next budget story? Graphics are available upon request.**

*Next 10 ([www.next10.org](http://www.next10.org)) is an independent, nonpartisan organization focused on innovation and the intersection between the economy, the environment, and quality of life issues for all Californians. Next 10 funds research by leading experts on complex state issues.*