



FOR IMMEDIATE RELEASE

April 7, 2016

Contact: Sage Welch
415.453.0430

Get in the game as California's budget shifts from red to black

*Online Challenge lets you decide state spending that will shape the future
Golden State has moved from a \$25 billion deficit to an \$8 billion reserve in five years*

SAN FRANCISCO – While the state's years-long budget crisis has come to a close, Californians face tough questions when they put themselves in the budget hot seat by playing the 2016 update of Next 10's annual [California Budget Challenge](#). The nonpartisan online game is the state's most comprehensive budget-balancing tool, allowing users to decide for themselves what programs the state should fund and where that money should come from. With such a dramatic change in California's finances over the past five years, the user's challenge has become how to keep California moving in a positive direction, rather than how to mitigate deep program cuts and tax increases.

"California has come a long way from the budget of 2011, when users faced a deficit of over \$25 billion and a handful of tough choices that no one liked. But a budget surplus presents its own interesting questions for the state," said F. Noel Perry, the founder of the nonpartisan nonprofit organization Next 10. "Users of this year's California Budget Challenge can expect to learn about issues in current budget negotiations and proposals that may appear on the November ballot."

Budget choices made this year are critical, as the state tries to stabilize revenue to protect against future economic downturns. Some of this year's tough choices facing lawmakers include how much funding should be restored to programs that were cut during the recession, and how much to set aside in the state's Rainy Day Fund that will help protect against future economic downturns.

Other budget choices, from legalizing marijuana to increasing the cigarette tax to increasing school funding, may lie in the hands of voters, in what's expected to be an initiative-heavy November ballot.

Budget Challenge choices include:

- Extending a tax imposed on health insurance companies to help provide healthcare for the state's poor
- Depositing an additional \$2 billion payment into the state's reserve
- Increasing cash assistance for the aged, blind and disabled – for the first time in 10 years

- Increasing funding to the University of California and California State University systems so student tuition rates do not increase

Since 2005, nearly 530,000 people have taken Next 10's Budget Challenge to better understand the real-life implications of the state budget. The Challenge allows users to log on and become familiar with the choices lawmakers grapple with. When approaching each question, users of the nonpartisan tool are offered background information along with arguments for and against measures, so they walk away with a better understanding of the issues and what's at stake.

"California's voter turnout was historically low in 2014. We hope 2016 will engage more voters and that the nonpartisan California Budget Challenge can be helpful in illustrating important budget choices and the impacts they will have for years to come," said Perry.

Should the state lower the sales tax rate? Should the state reduce criminal justice costs and change sentencing laws? You decide at www.budgetchallenge.org.

When you finish the Challenge, use the Take Action feature to send your budget to elected officials in Sacramento and share it with family and friends.