

CAL

F A C T S

May 1993



Elizabeth G. Hill
Legislative Analyst

Legislative Analyst's Office
925 L Street, Suite 1000
Sacramento, CA 95814



INTRODUCTION



i

With a state as big, as populous and as complex as California, it would be impossible to quickly summarize how its economy or state budget works. The purpose of *Cal Facts* is more modest. By providing various “snapshot” pieces of information, we hope to provide the reader with a broad overview of public finance in the state.

Cal Facts consists of a series of charts and tables which address questions frequently asked of our office. We hope the reader will find it to be a handy and helpful document.

Elizabeth G. Hill
■ *Legislative Analyst*





CONTENTS

iii

INTRODUCTION	i
CALIFORNIA'S ECONOMY	1
CALIFORNIA'S POPULATION	9
STATE AND LOCAL FINANCE	15
STATE SPENDING/REVENUE	23
PROGRAM TRENDS	31
LAO STAFF ASSIGNMENTS	51



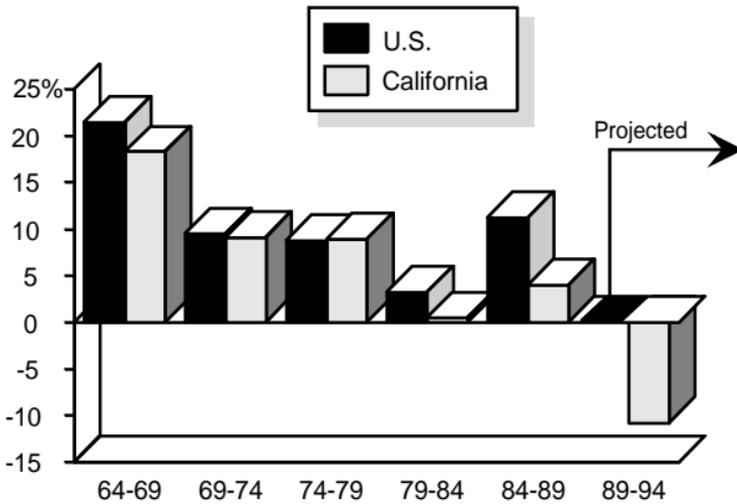


California's Income Growth Has Slowed Markedly Since 1990



- California's total personal income grew consistently above 6 percent during the 1980s.
- The recession in 1991 slowed income growth to the 2 percent range, well below the state's rate of inflation and population growth.
- For the first time in recent history, California's share of national income has declined.

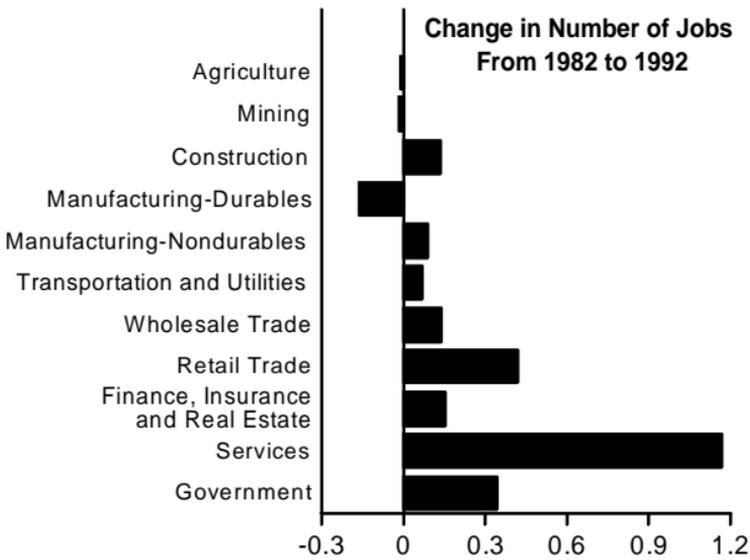
California's Growth in Real Income^a Per Capita Lags The Nation's



^a Current dollar income adjusted for inflation.

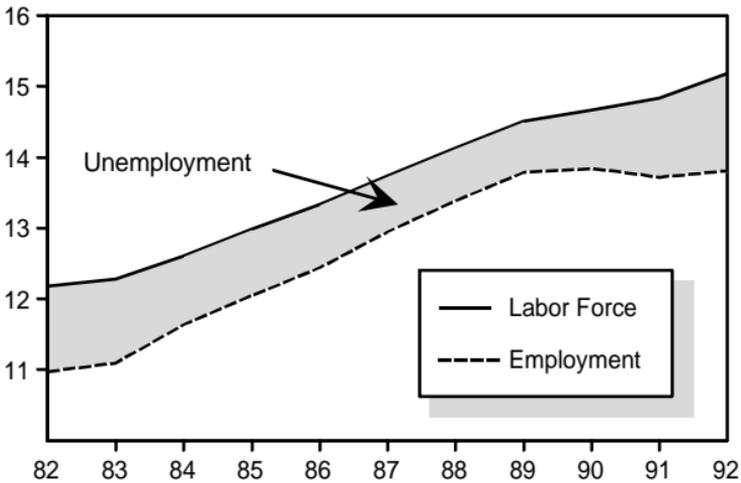
- Since the early 1980s, California's real income per capita has increased very little and has been declining since the beginning of the 1990s.
- Factors contributing to this trend include: high growth in the younger, nonworking population; somewhat higher inflation than the rest of the nation; a relatively high unemployment rate; a changing job structure of less high-paying and more low-paying jobs and occupations.

California Employment Has Shifted Toward Services While Manufacturing Has Declined (In Millions)



- California has followed the national trend of low growth or declines of employment in the “goods” sectors and high growth in the “services” sectors.
- Job decline in durables manufacturing employment, including most of defense products manufacturing, began by 1988.
- The service category includes rapidly growing activities such as health care and business services.

California Employment Stalls While Labor Force Growth Continues (In Millions)



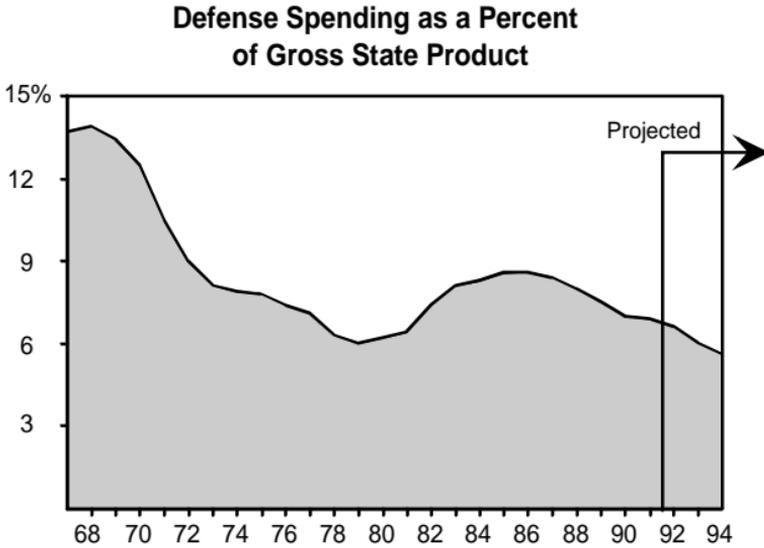
- California's labor force expanded rapidly during the past decade, rising from about 12 million to over 15 million by 1992.
- The state's unemployment rate fell below the nation's during the boom years of the mid-1980s.
- Since 1990, however, the state's employment level has been flat and has not recovered as was the case after previous national recessions.

California's Employment Growth Now Lags The Nation's



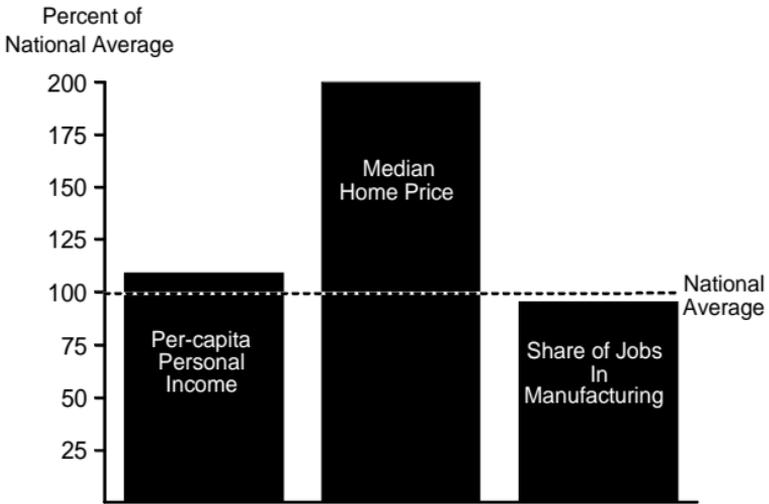
- Historically, California's employment growth rate paralleled the nation's, but was higher.
- California never has been "recession proof," since a national slowdown always meant a state slowdown.
- The state's slow recovery since 1990 compared with the nation is unprecedented.

Defense Share of California's Economy Continues to Decline



- Defense spending—including both contracts and military bases—has been the largest single “industry” in the state.
- The state's economic expansion during the early 1980s was due in part to the rapid increase in defense spending.
- Recent and expected further decreases in defense spending are important reasons for the state's current economic problems.

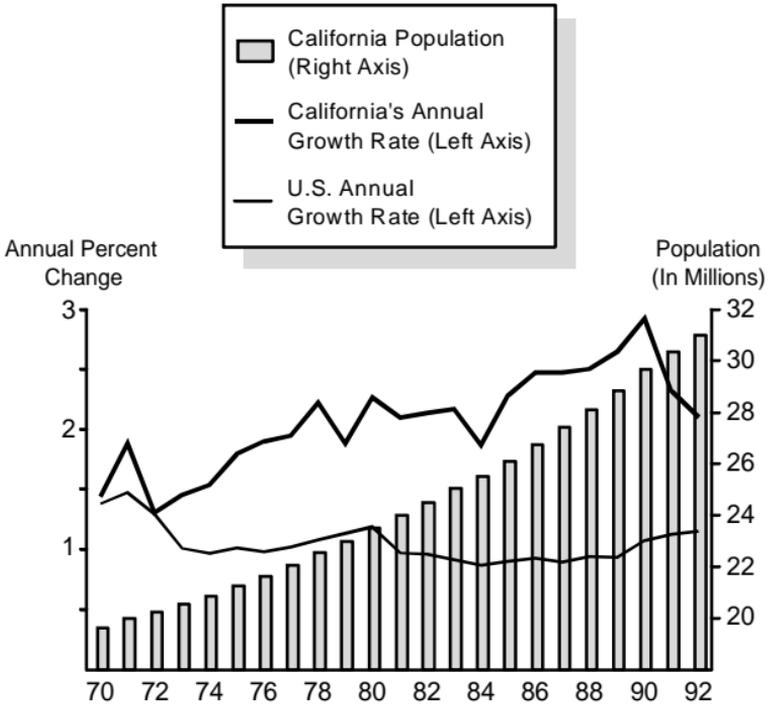
California Varies in Economic Characteristics Compared with U.S. 1991



- California's personal income per capita was 9 percent above the U.S. average in 1991. This differential has declined significantly over the past decade (for example, the state was 16 percent above the nation in 1981).
- The median single-family home price in the state was nearly twice the national average in 1991. Since then, however, the state's median home price has declined—both in dollars terms and relative to the national average.

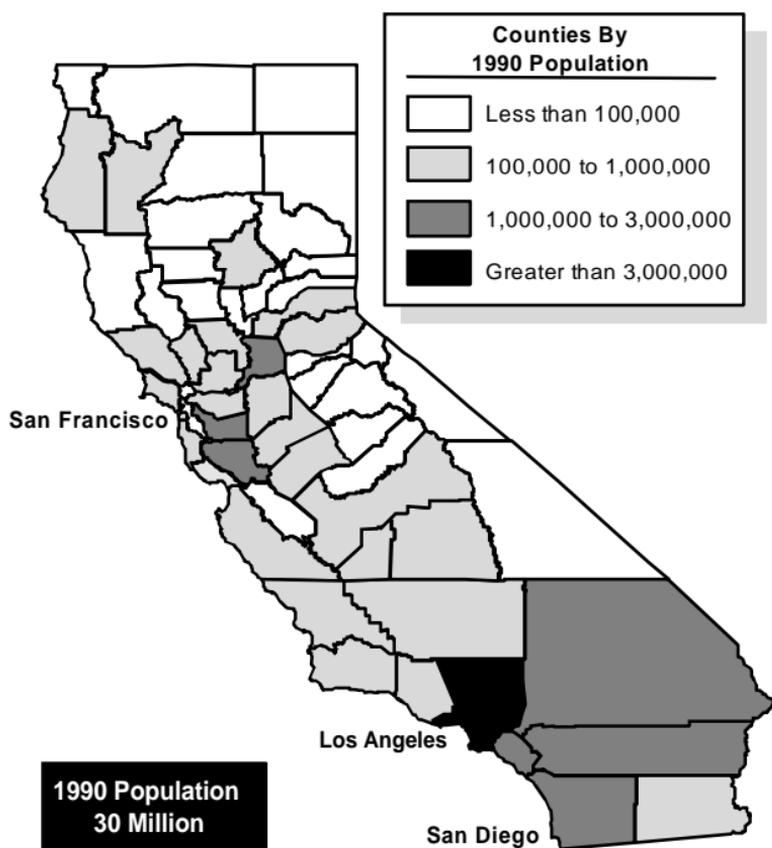


California's Rapid Population Growth: Twice As Fast As The Nation 1970 to 1992



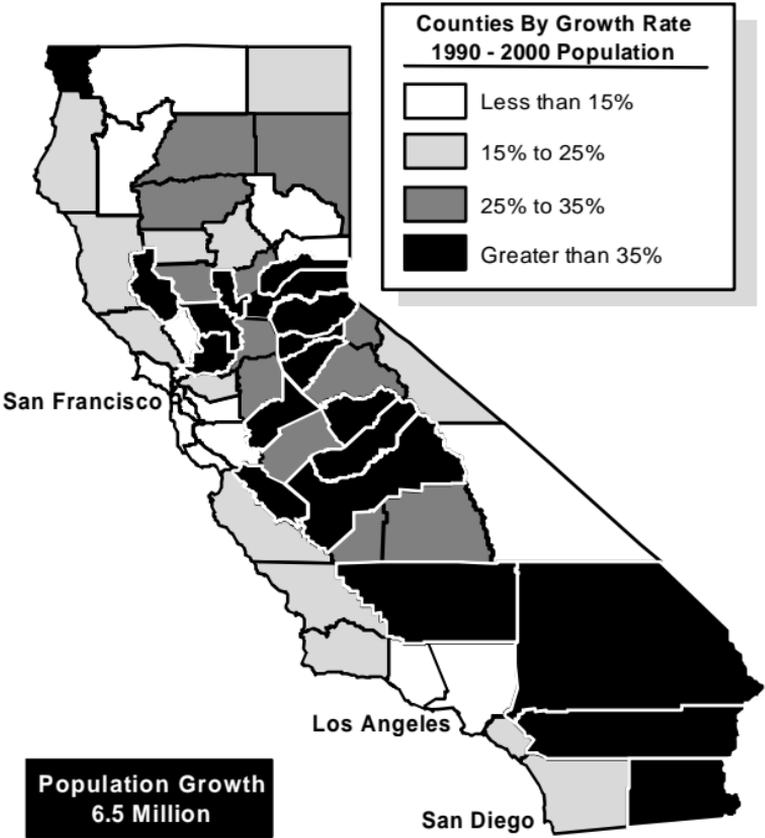
- After 1972, California's population growth accelerated, while the nation's growth rate stayed relatively flat.
- Since 1990, California's growth rate has slowed—probably due in part to lower net migration because of the states poor job situation. California still is growing faster than the nation, however, due to high fertility and continued foreign immigration.

Nearly Sixty Percent of the Population Is in Southern California



- Thirty percent of all Californians lived in Los Angeles in 1990.
- An equal number of persons live in the other seven southern-most counties.

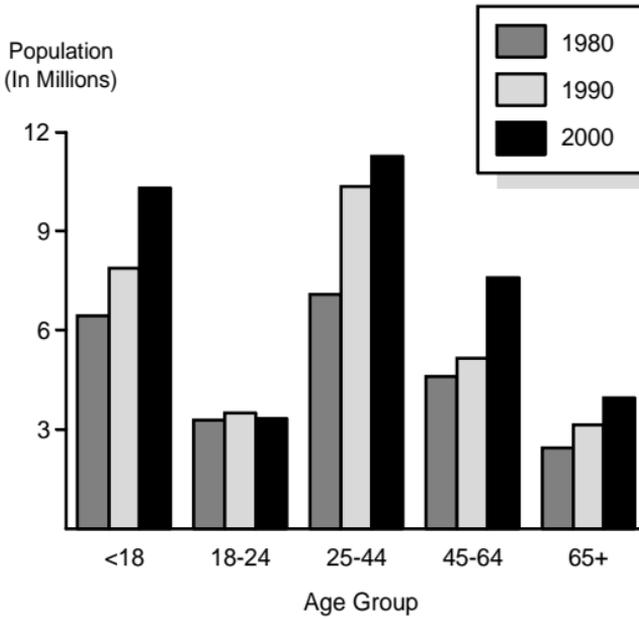
Rapid Growth in Inland and Foothill Counties



- The Department of Finance projects that rapid growth will continue in inland Southern California, the Central Valley, and Sierra foothills.
- Major coastal areas will grow more slowly, but will still account for almost half of the population increase.

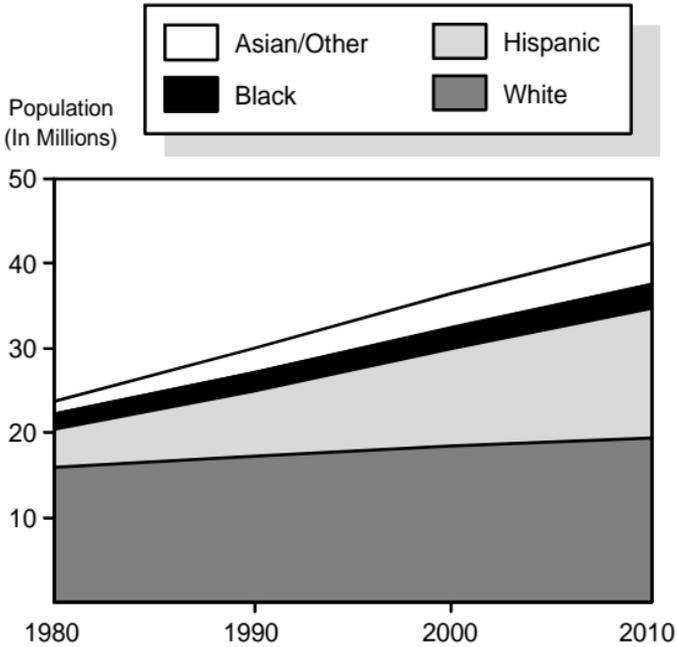


The Number of Children and Older Workers Increases Rapidly



- The number of children (under age 18) will grow by a projected 2.4 million (31 percent) during the 1990s.
- The overall working-age population (ages 18-64) will grow by 17 percent during the 1990s, but aging baby boomers will increase the number of older workers (ages 45-64) by 48 percent.
- The population in the college-age and entry-worker group (ages 18-24) will decline by 4.6 percent during this decade, but this group will grow rapidly after 2000.

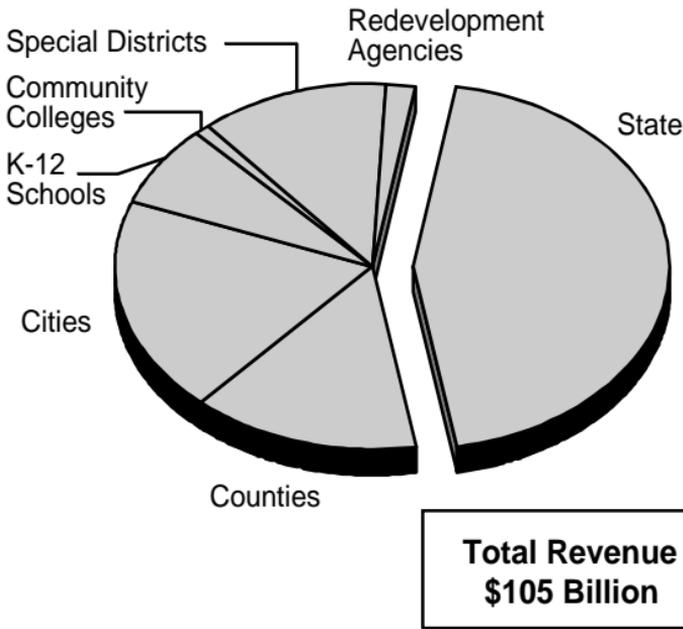
Hispanics and Asians Will Account for Most of California's Population Growth



- By 2010, California's Hispanic population will have doubled, and the state's Asian population will have grown by two-thirds since 1990.
- The projected growth in the state's white (non-Hispanic) population is only 13 percent between 1990 and 2010, so that by that year 54 percent of California's population will be of other races or ethnic groups.

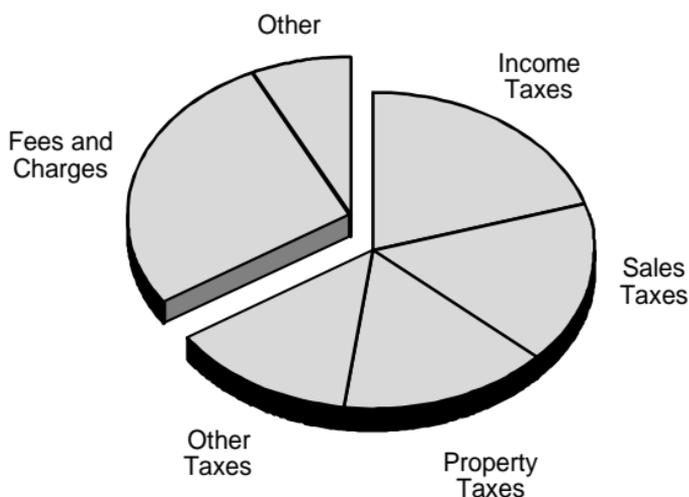


Local Governments Raise More Revenue Than the State—1990-91



- The figure shows state, and local own-source revenue, which includes tax and fee revenues but excludes funds received from another government entity. Local revenues include income of publicly owned utilities and other local government enterprises.
- More than half of the state's revenues were allocated to local schools and other local agencies.

California State and Local Revenue Sources—No Single Source Predominates 1990-91



**Total Revenue
\$105 Billion**

- The figure shows combined California state and local revenues by source in 1990-91.
- Tax collections represent two-thirds of combined state/local own-source revenues.
- Other miscellaneous taxes, such as utility user taxes, raise almost as much revenue as the property tax.

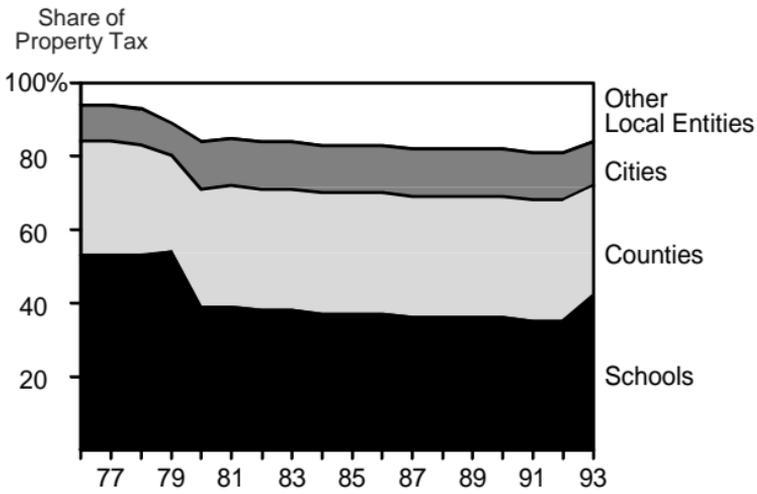
Funding Mix Varies Among the State And Local Entities

Source	Percent of Funding in 1990-91				
	State	Counties	Cities	K-12 Schools	Special Districts
Income taxes	45.3%	—	—	—	—
Sales taxes	29.3	6.1%	11.9%	—	—
Property taxes	—	28.7	11.2	23.1%	31.7%
Other taxes	20.4	2.9	17.4	2.7	—
Fees and charges	1.9	17.6	45.5	0.3	38.7
State aid	—	41.4	2.4	67.2	4.5
Other	3.0	3.3	11.6	6.8	25.2

Percentages may not add to 100% due to rounding.

- State aid provides a large portion of county and school funds, but only a small portion of the funding for cities and special districts.
- Amounts exclude federal funds.
- Income taxes include the state personal income tax and the state bank and corporation tax.

Schools and Counties Receive the Bulk of Property Taxes^a

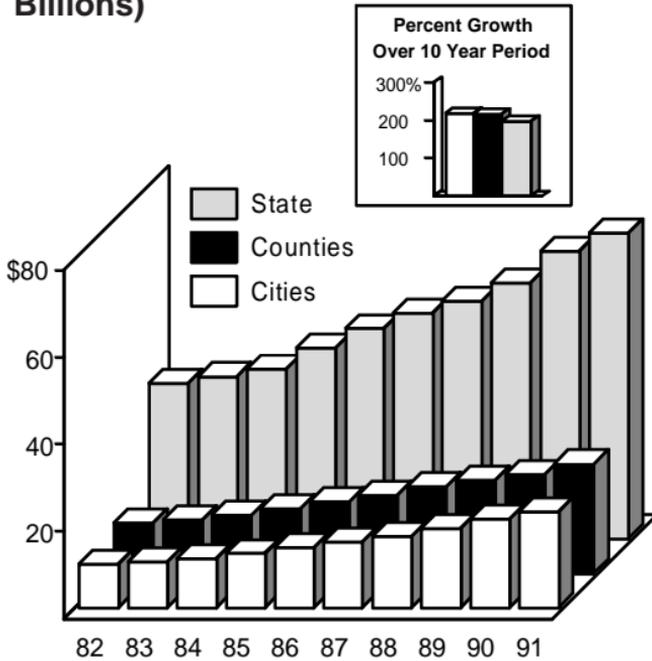


^a Data are for fiscal years ending in year shown.

- After passage of Proposition 13 in 1978, the state increased its funding of schools and shifted property tax allocations from schools to other local entities to mitigate their Proposition 13 revenue losses.
- 1992-93 budget actions shifted \$1.3 billion to schools from cities, counties, redevelopment agencies, and special districts.
- A further shift proposed for 1993-94 would push the school share above 50 percent—similar to the pre-Proposition 13 situation.

Total Spending by Cities, Counties, and the State Doubled From 1981-82 to 1990-91

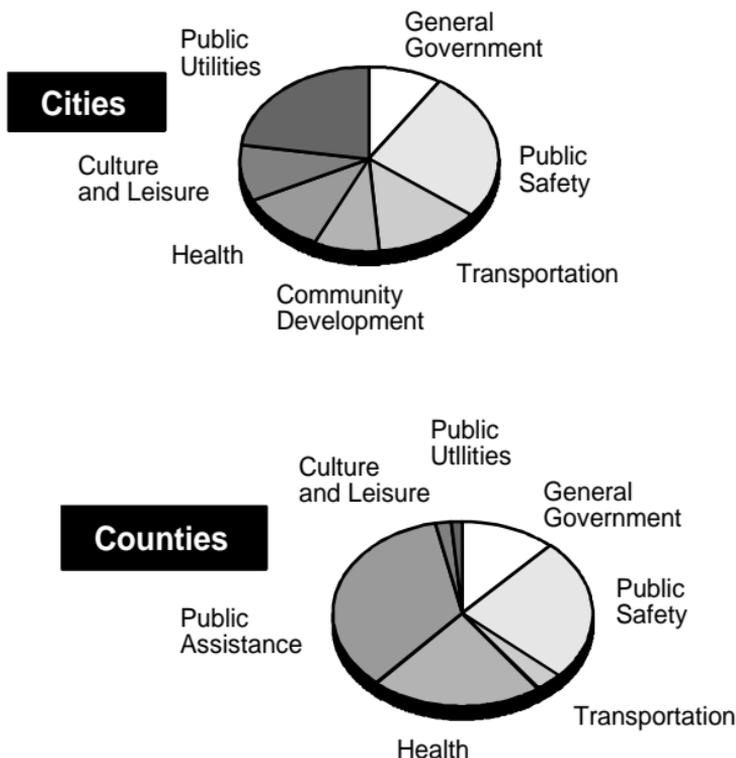
(In Billions)



^a Data are for fiscal years ending in year shown.

- Total expenditures include federal funds and state grants to cities and counties.
- Cities spend less than either counties or the state, but their spending has grown the most rapidly.
- State spending exceeds that of cities and counties combined.

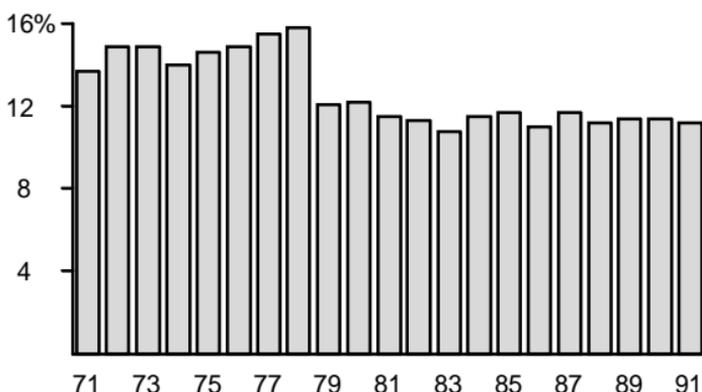
Cities and Counties Spend Their Funds Differently 1990-91



- Cities and counties both spend about one-quarter of their budgets on public safety. In the case of cities, this is mostly for police, but for counties, it is mostly for courts and jails.
- Health and public assistance consume more than half of county spending.

California's Tax Burden Declined Slightly In the Post-Proposition 13 Era^a

State and Local Tax Revenue
As a Percent of Personal Income



^aData are for fiscal years ending in year shown.

- Prior to Proposition 13 (passed in 1978) the state's total state and local tax burden was approximately fifth highest in the nation.
- Proposition 13 began an era of a slowly declining California tax burden. By 1991, California ranked 22nd from the top among the 50 states.
- Although 1992 data are not yet available, recent state and local tax increases and slow personal income growth probably raised the overall California tax burden.

Approval/Voting Requirements for State and Local Taxes and Bonds

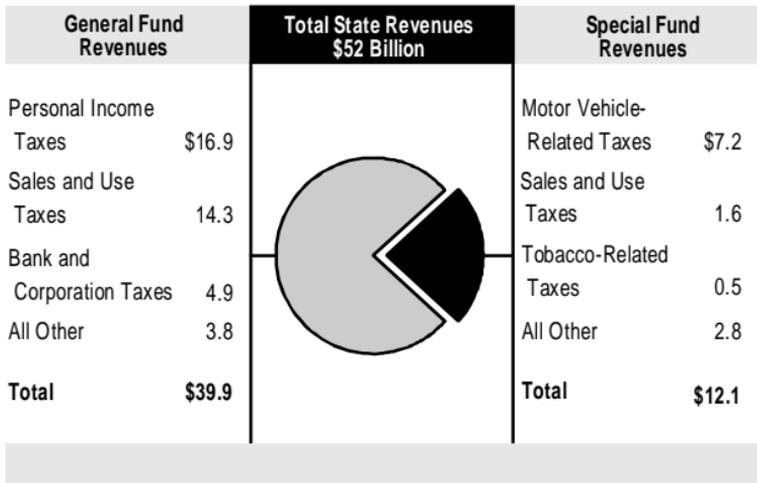
	Voting Requirement	Authority ^a
State-Level Taxes:		
General taxes	2/3 Legislative	Article XIII A, Section 3
Special taxes	2/3 Legislative	Article XIII A, Section 3
Local -Level Taxes:		
General taxes	Varies, Majority of Governing Board or Voters	Statutes
Special taxes	2/3 Voters	Article XIII A, Section 4
State Bonds:		
General obligation	Majority Voters	Article XVI, Section 1
Other ^b	Majority Legislative	Statutes
Local Bonds:		
General obligation	2/3 Voters	Article XIII A, Section 1
Other ^b	Majority Governing Body	Statutes

^a Indicates the relevant state constitutional provision or that the requirement is established in statute by state law.

^b Includes revenue bonds, lease payment bonds and certificates of participation.

Income and Sales Taxes Provide the Largest Shares of State Revenue (In Billions)

Projected 1993-94 State Revenues^a



^a Governor's Budget estimates.

- Personal income, sales, and bank and corporation taxes account for approximately 70 percent of total state government revenues.
- Special fund revenues are usually earmarked for specific purposes such as transportation funding.

California's Major Taxes

State Taxes

	Rate	Description
Personal Income	Marginal rates of 1-11 percent	Married couples who earn less than \$15,440 pay no tax. The 11% top rate applies to a couple's income in excess of \$415,000.
Sales and Use Taxes	6 percent ^a	Applies to the final purchase price of tangible items.
Bank and Corporation Taxes— <i>General Corporations</i>	9.3 percent	Applies to the net income earned by corporations doing business in California.
Bank and Corporation Taxes— <i>Financial Corporations</i>	11.1 percent	Applies to the net income earned by financial corporations. A portion of the tax is in lieu of local personal property or business taxes.
Vehicle Fuel Taxes	17 cents per gallon ^b of gasoline or diesel	Tax is collected from fuel distributors or wholesalers. Equivalent taxes are levied on other types of vehicle fuels.
Insurance Tax	2.35 percent	Tax is assessed on the gross premiums received by most types of insurance companies.
Alcohol and Cigarette Taxes	Wine and beer: 20 cents per gal. Spirits: \$3.30 per gal. Cigarettes: 35 cents per pack	Tax is collected from manufacturers or distributors.

California's Major Taxes CONTINUED

Local Taxes

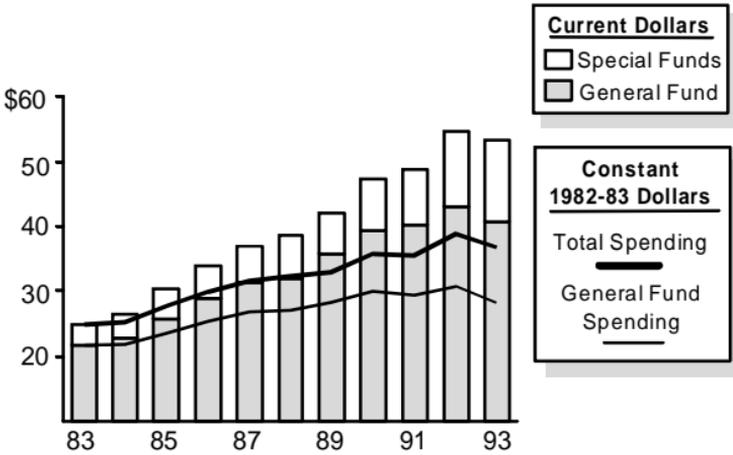
	Rate	Description
Property Taxes	1 percent (plus amounts to pay off voter approved debt)	Tax is levied on the assessed value (usually based on purchase price) of most real estate and many types of personal and business property (such as boats, airplanes, and business equipment).
Local Sales and Transaction Taxes	1.25 to 2.50 percent	Collected with state sales and use tax. Revenues go to cities, counties, and special-purpose taxing districts.
Vehicle License Fees	2 percent	Tax is applied to original purchase price less depreciation as determined by statute. Tax is collected by the state and distributed to cities and counties.

^a This rate is scheduled to decrease to 5.5% beginning July 1, 1993.

^b This rate will increase to 18 cents per gallon on January 1, 1994.

State Spending Drops in 1992-93^a

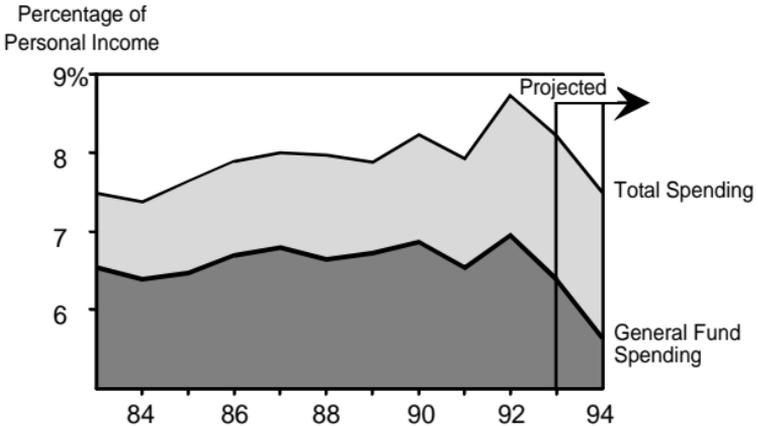
(In Billions)



^a Data are for fiscal years ending in year shown.

- The spending decline in 1992-93 is due to a \$2.2 billion drop in General Fund spending. Special fund spending, however, increases by \$1 billion.
- Special fund spending has grown rapidly, and is almost one-third the amount of General Fund spending.
- General Fund spending in constant dollars (adjusted for inflation) was essentially flat from 1989-90 through 1991-92.
- The Governor's Budget for 1993-94 proposes a further reduction of \$3.5 billion in General Fund spending.

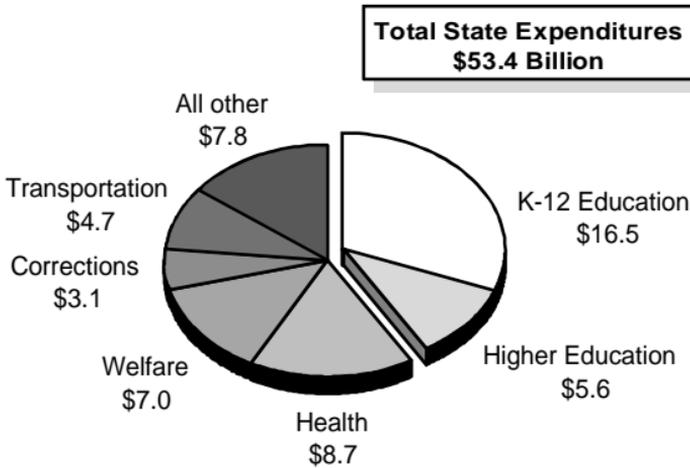
Special Funds Drive State Spending Growth^a



^a Data are for fiscal years ending in year shown.

- General Fund spending as a percentage of state personal income has been relatively flat since 1982-83.
- Total state government spending has grown from 7.3 percent to 8.2 percent of California personal income due to increased spending from special funds.
- Special fund increases reflect Proposition 111 gasoline tax increases, a sales tax increase placed in a special fund for local governments, Proposition 99 cigarette tax increases, and various new fee-supported recycling and environmental programs.

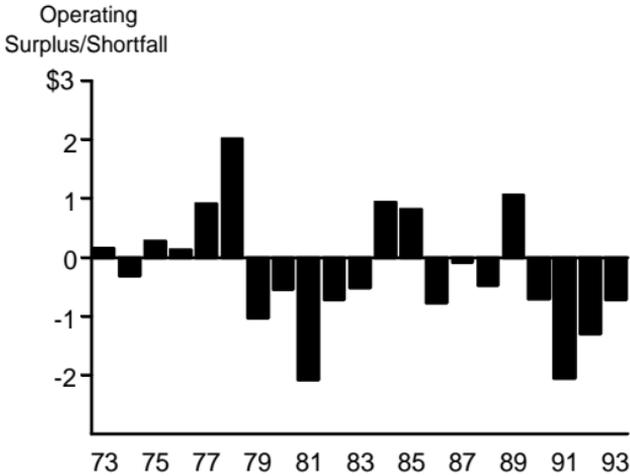
Education Accounts for Largest Share of State Spending in 1992-93 (In Billions)



- Education's share of total spending is about 42 percent (\$22.2 billion).
- Education's share of General Fund spending is higher—53 percent.
- Together, education, health and welfare, and corrections account for more than 75 percent of total state spending in 1992-93.

General Fund Operating Shortfalls Have Been Common In Recent Years^a

(In Billions)



^a Data are for fiscal years ending in year shown.

- Since Proposition 13 was approved in 1978, state General Fund spending has exceeded revenues in all but 3 years.
- 1992-93 will be the fourth consecutive year of operating shortfalls, resulting in an estimated 1992-93 ending budget deficit of \$3.4 billion (absent corrective action).
- Operating shortfalls occurred even during the economic expansion of the mid-1980s.
- The relative size of the shortfalls has shrunk. The \$2.1 billion 1980-81 shortfall was 9.9 percent of spending, but the \$2.1 billion 1990-91 shortfall was only 5.1 percent of spending.



K-12 Enrollment Growth Slows; UC and CSU Enrollments Decline

	1992-93 Enrollment ^a (Estimate)	Average Annual Growth Rate	
		1984-85 Through 1990-91	1990-91 Through 1992-93
Kindergarten through high school (K-12)	5,520,586	3.3%	2.3%
Community colleges	878,582	NA ^b	2.2
California State University (CSU)	257,000	2.3	-3.9
University of California (UC)	153,407	2.6	-0.8

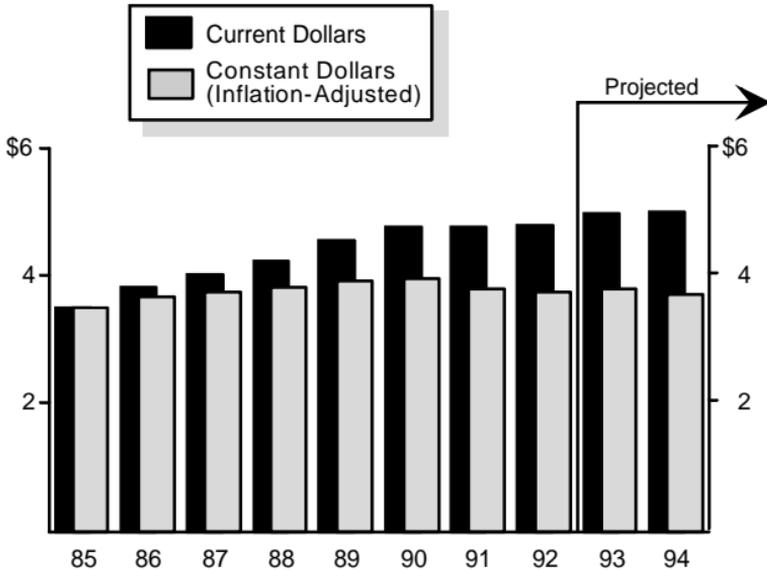
^a Enrollment figures are average daily attendance (ADA) for K-12 and full-time equivalents (FTEs) for higher education.

^b Not available.

- Annual growth of average daily attendance in K-12 schools slowed dramatically in 1992-93 to 1.6 percent. A similarly slow rate of growth is expected in 1993-94 as California continues to experience net out-migration to other states in the face of a persistent recession.
- During the past two years, CSU enrollment has declined an average of 3.9 percent annually, primarily due to budget reductions.
- UC enrollment has declined an average of 0.8 percent over the past two years.

Inflation-Adjusted Funding Per K-12 Student Declining Since 1989-90^a

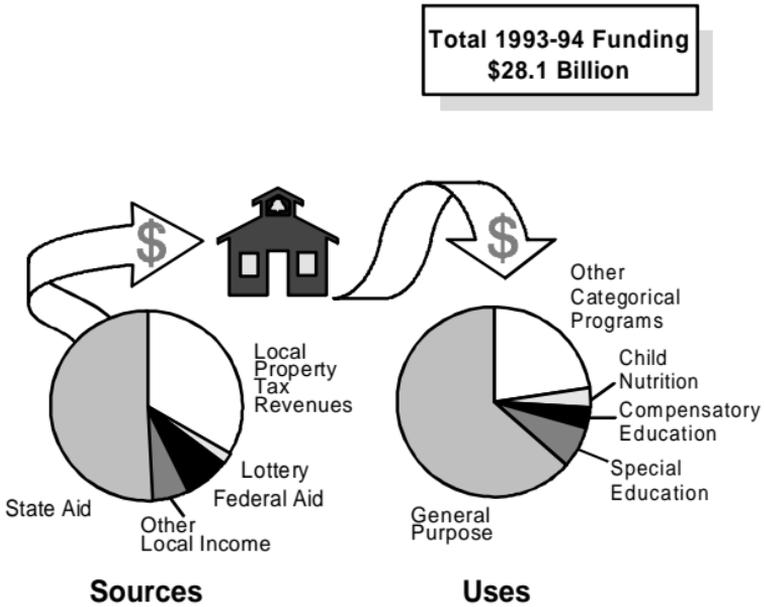
(In Thousands)



^a Data are for fiscal years ending in year shown.

- This figure shows funding from all state, federal, and local sources per student (ADA).
- Per-student funding in inflation-adjusted dollars increases by a cumulative total of 6.2 percent during this ten-year period.
- More recently, however, per-student funding in inflation-adjusted dollars decreases by 5.9 percent between 1989-90 and 1993-94.

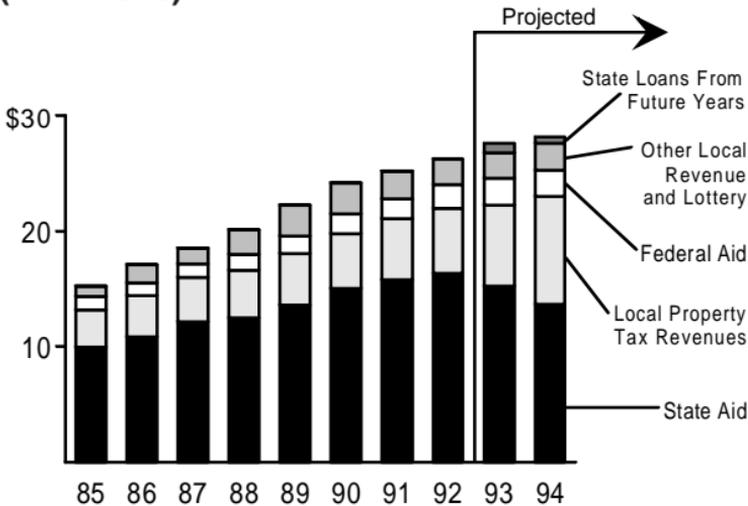
One-Third of Proposed K-12 School Spending is for “Categorical” Programs



- More than one-third of school spending is for “categorical” programs targeted at specific groups of students or particular needs.
- State aid provides half of total proposed school funding in 1993-94.
- Lottery revenues provide the smallest share of school funding.

Share of K-12 Education Funding Paid by Local Property Taxes Proposed to Increase Dramatically^a

(In Billions)



^a Data are for fiscal years ending in year shown.

- K-12 funding from all sources has increased by 84 percent since 1984-85.
- The smallest percentage increase has been in state aid, while the largest percentage increase has been in local property taxes.
- Over half of the property tax increase is explained by shifts of property tax revenues from other local governments to schools in 1992-93 and proposed for 1993-94 in order to reduce state school funding obligations under Proposition 98.

K-12 Pupils Becoming More Ethnically and Linguistically Diverse

	Percent of Total K-12 Enrollment	
	1981-82	1991-92
Ethnicity		
White (non-Hispanic)	56.4%	44.5%
Hispanic	25.8	35.3
African American	9.9	8.6
Asian or Pacific Islander	5.5	8.6
Filipino	1.6	2.3
American Indian/Alaskan Native	0.8	0.8
Language		
Limited English Proficiency	10.7%	20.1%

- The majority of K-12 pupils in 1981-82 were non-Hispanic white (56 percent). In 1991-92, 44 percent of all K-12 pupils were non-Hispanic white, and no ethnic group constituted a majority among K-12 pupils.
- The proportion of Hispanic K-12 students increased significantly, from about one-quarter of total enrollment in 1981-82 to more than one-third in 1991-92.
- The proportion of pupils classified by the State Department of Education as limited-English proficient nearly doubled from 11 percent in 1981-82 to 20 percent in 1991-92.

Higher Education Student Fees Increasing Rapidly

	Annual Student Fee			Percent Change 1990-91 To 1992-93
	1990-91	1991-92	1992-93 ^a	
University of California				
Undergraduate/graduate	\$1,624	\$2,274	\$2,824	73.9%
Medicine/law	2,000	2,650	3,200	60.0
California State University	\$780	\$936	\$1,308	67.7%
California Community Colleges				
Part-time student (10 units)	\$100	\$120	\$200	100.0%
Full-time student (15 units)	100	120	300	200.0
Hastings College of the Law	\$2,000	\$2,650	\$3,200	60.0%
California Maritime Academy	\$928	\$978	\$1,369	47.5%

^a 1992-93 fees are as of January 1, 1993.

- Community college fees have increased the most rapidly—200 percent for a full-time student—but they remain the lowest in the nation.
- 1993-94 fees are not shown because the budget does not propose specific fee increases for any of the segments.

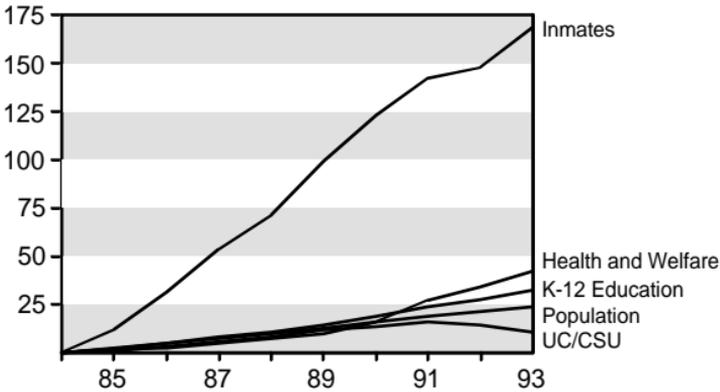
Annual Cost Per Participant Varies Widely Among Major Programs 1992-93

	Number of Participants (In Millions)	Average Cost per Participant	
		General Fund	Total Government
Education—students			
K-12	5.2	\$2,930	\$4,200
UC	0.2	12,300	12,300
CSU	0.3	5,800	5,800
Health and Welfare—beneficiaries			
Medi-Cal	5.0	\$1,100	\$2,100
AFDC	2.5	1,138	2,360
SSI/SSP	1.0	2,303	5,110
Corrections			
Prison Inmates	0.1	\$20,900	\$20,900

- Prison inmates have the highest cost but are the least numerous.
- The costs shown are averages. The range of individual costs is especially large in Medi-Cal. Nursing home patients, for example, cost about \$25,000 annually to support.
- On a per-student basis, UC is twice as expensive as CSU.

Prison Population is Growing Much Faster Than Other Caseloads

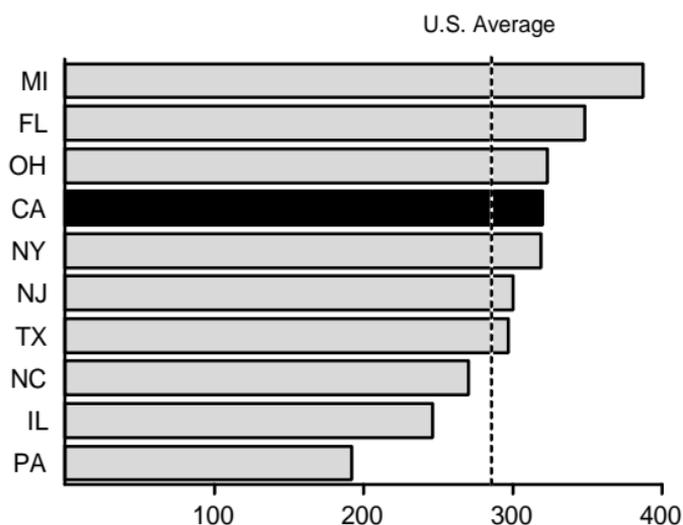
Percent Growth
Since 1983-84



^a Data are for fiscal years ending in year shown.

- The number of prison inmates has been growing much more rapidly than any other group, in part due to mandatory and longer sentences.
- A rapid rise in the number of health and welfare beneficiaries began in 1989-90 due to the growth in welfare caseloads and additional federally mandated eligibility categories.
- Enrollment at UC and CSU has declined in the last two years. The CSU reduction, which has been more dramatic than at UC, is due to budget constraints.

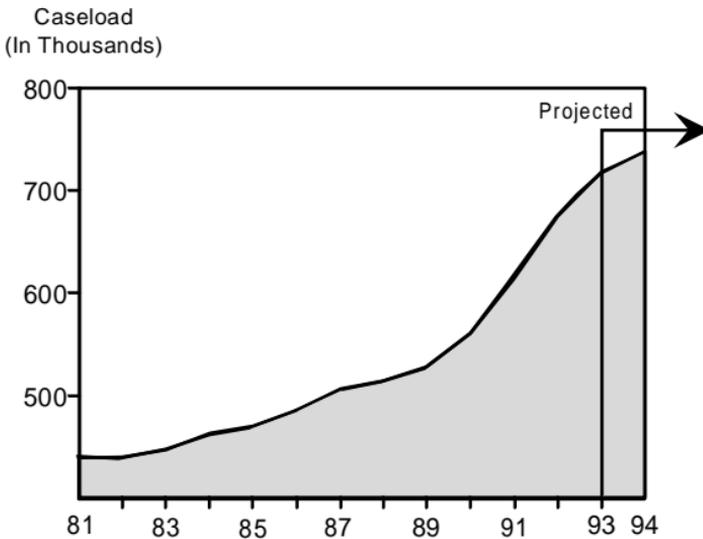
California's Incarceration Rate^a Is Above Most Other Large States 1991



^a Number of persons with prison sentences of more than one year per 100,000 residents.

- California had the fourth highest incarceration rate among the ten largest states in 1991.
- Incarceration rates reflect the sentencing practices of each state, such as the length of sentences, in addition to the frequency and severity of crimes committed.

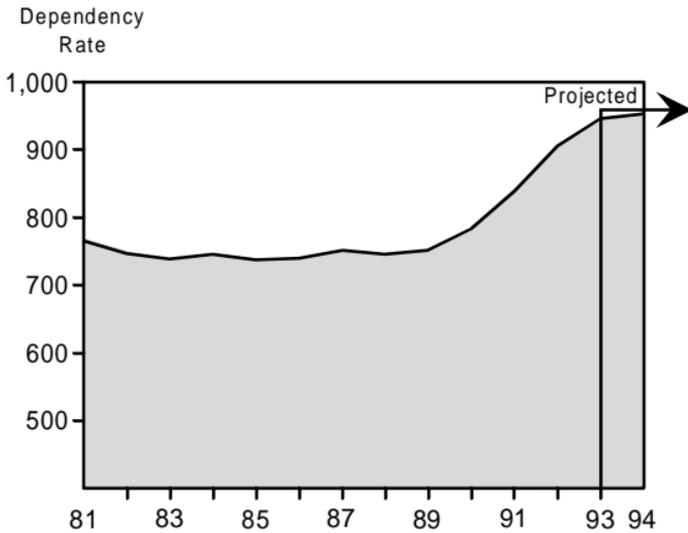
California's AFDC Caseloads Have Been Increasing^a



^a Aid to Families with Dependent Children (AFDC cases) excludes foster care and unemployed parent cases. Data are for fiscal years ending in year shown.

- Factors contributing to the increase in the AFDC caseloads include demographic changes, such as (1) the increase in the number of women of childbearing age, and (2) the increase in the number of “child only” cases, including citizen children of undocumented immigrants.
- Societal changes, such as the increase in births to unwed mothers and the increase in the proportion of women having children, have contributed to the recent growth in cases.

California's Families Have Become More Dependent on Welfare^a



^a Data are for fiscal years ending in year shown.

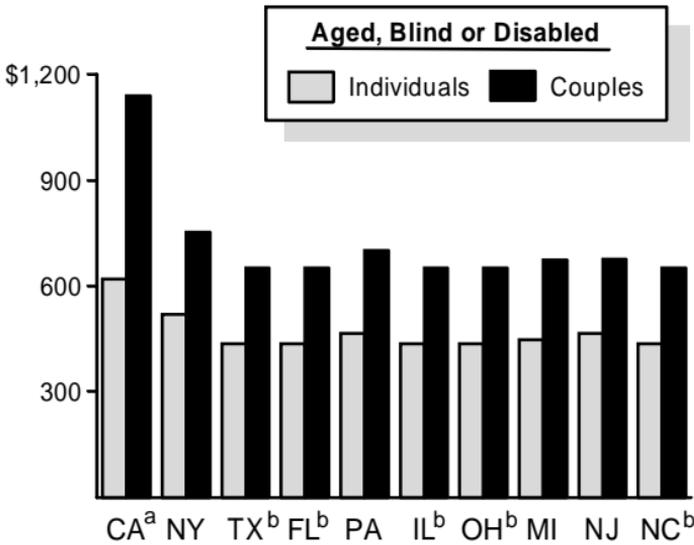
- The dependency rate is the number of AFDC (Family Group) cases per 10,000 women age 15 through 44. Thus, the graph “controls” for the effect of population changes on the caseload.
- The dependency rate remained constant between 1980-81 and 1988-89, thereby suggesting that population increase (women of child-bearing age) was the dominant factor in explaining caseload growth during this period. Since 1988-89, societal changes have played a more important role.

California's AFDC Grants Highest Among The Ten Largest States January 1993

^a These states have regional grants. Amount shown is for major population center.

- Of the ten largest states, California provides the highest maximum welfare grant to families under Aid to Families with Dependent Children. Amounts shown are for a family of three under the family group component—generally single parents—which includes most recipients.
 - AFDC recipients also receive federal food stamp benefits, which decline as the grant amount increase.
- 

California's SSI/SSP Welfare Grants Highest Among the Ten Largest States January 1993



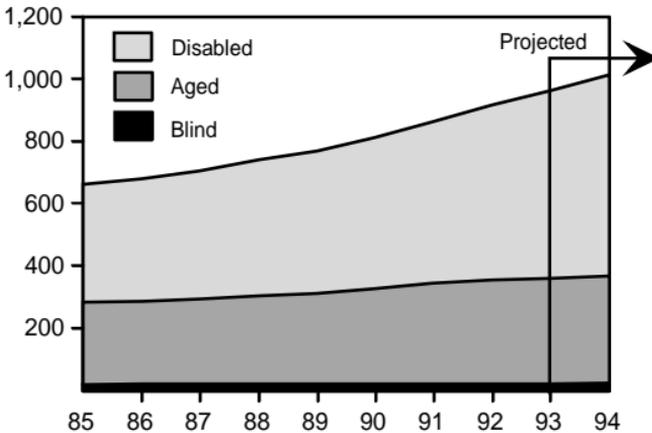
^a California provides an additional payment to blind persons.

^b Federal amount only; state provides no supplemental grant.

- California's SSI/SSP grant levels are 19 percent larger for individuals and 51 percent higher for couples than those in the state with the second largest grants (New York).
- Of the ten largest states, five do not provide any state supplemental grant. In those states, eligible persons receive only the federal SSI amount (\$434 for individuals or \$652 for couples).

The Disabled Represent the Largest and Fastest Growing Segment of the SSI/SSP Caseload^a

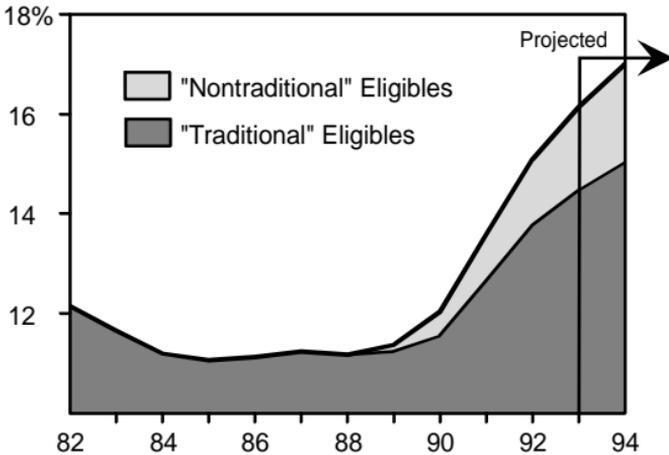
SSI/SSP Cases
(In Thousands)



^a Data are for fiscal years ending in year shown.

- The SSI/SSP program provides cash assistance to low-income persons who are elderly, disabled or blind.
- Major factors explaining the growth in the SSI/SSP disabled caseload:
 - Increase in AIDS-related disabilities
 - Federal expansion of eligibility
 - Increased life expectancy for disabled persons
 - Federal and state outreach programs

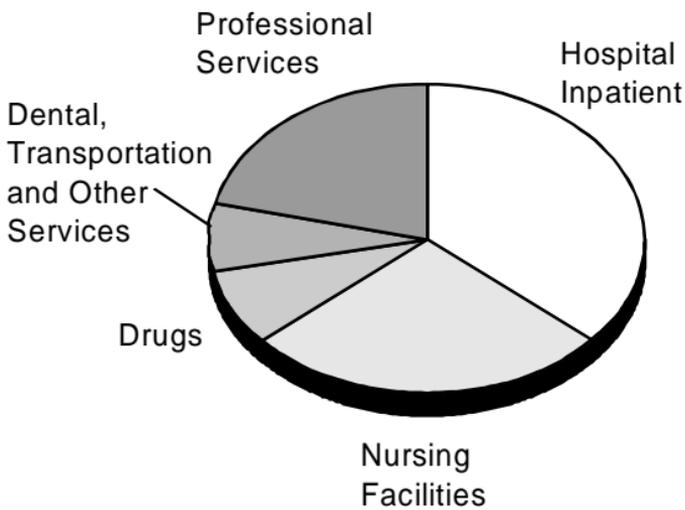
Percentage of Californians on Medi-Cal Growing Rapidly^a



^a Data are for fiscal years ending in year shown.

- Currently the Medi-Cal Program serves a dramatically higher proportion of California's population than was the case at any point in the 1980s.
- Federal and state decisions to expand Medi-Cal coverage to "nontraditional" eligibles—largely newly legalized and undocumented persons and children and pregnant women—account for some, though not the majority, of the increase.
- About one in six Californians, or 5.4 million persons, will be eligible for Medi-Cal in 1993-94.

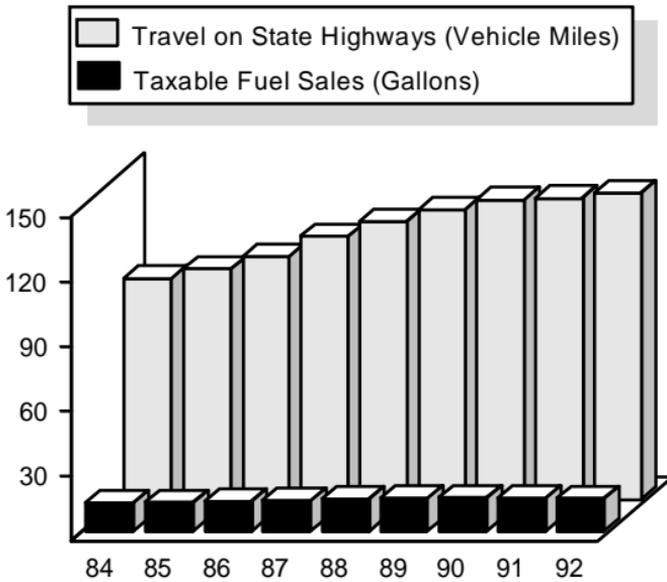
More Than Half of Medi-Cal Spending is for Hospitals and Nursing Facilities



-
- Over 60 percent of Medi-Cal expenditures are for hospital inpatient costs and long-term care in nursing facilities.
 - Long-term care recipients are about one percent of Medi-Cal beneficiaries, yet they account for roughly one-quarter of the program's cost.

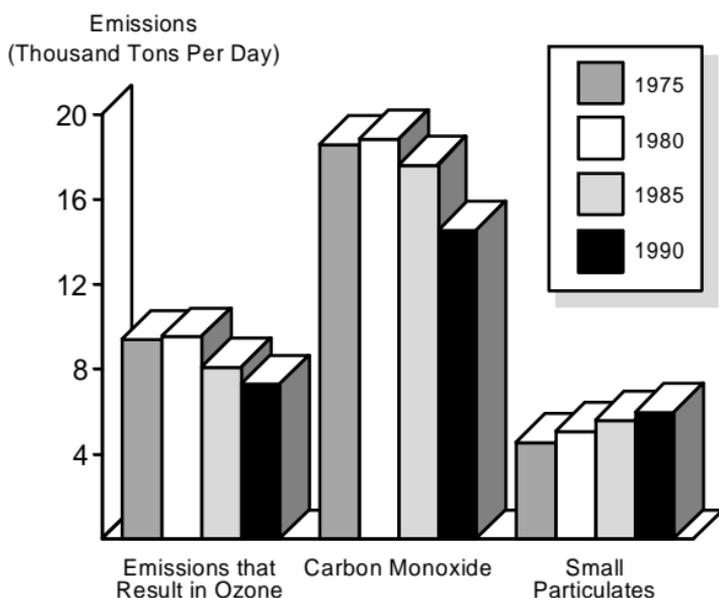
Travel On State Highways Has Increased While Fuel Consumption Has Remained Stable

(In Billions)



- Californians continue to drive more each year, yet they are not using more gasoline and other motor fuels because vehicles are more fuel efficient.
- Taxes on gasoline and other motor fuels are the major source of revenue for highway construction and maintenance, and for mass transit. With fuel use flat, increasing funds for transportation has required increasing the tax rate per gallon of fuel.

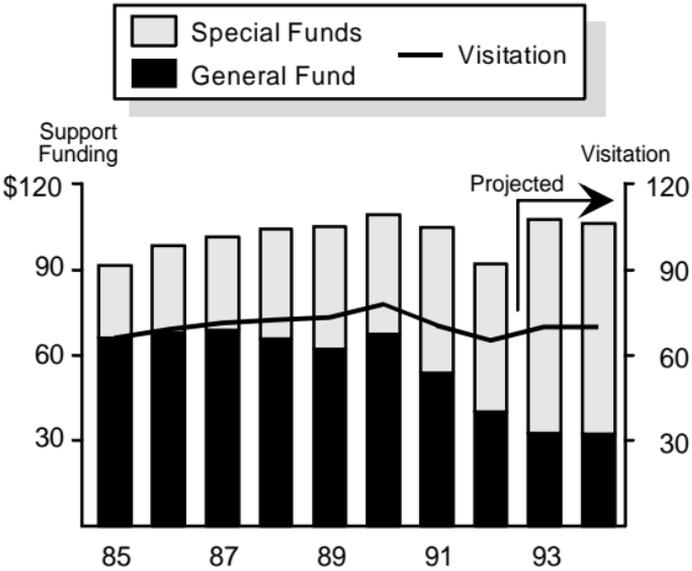
Progress in Reducing Air Pollutant Emissions Varies



- Statewide emissions of carbon monoxide and pollutants that create ozone have declined by about 22 percent since 1975 despite a 39 percent population increase.
- Statewide emissions of small particulate matter have steadily increased over the same period primarily due to increased population and vehicle-miles traveled. These small particles (which include dust from roads, construction, and motor vehicles) can threaten human health and reduce visibility.

State Parks General Fund Support Is Declining^a

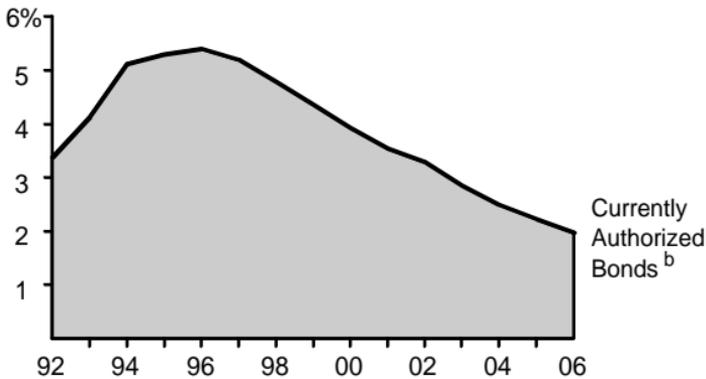
(In Millions)



^a Constant (inflation adjusted) 1984-85 dollars; excludes federal funds. Data are for fiscal years ending in year shown.

- General Fund support for state park operations has declined sharply and has been replaced by special fund support.
- Special fund support for park operations is primarily from park user fees and certain portions of state cigarette and gasoline taxes.
- The Department of Parks and Recreation attributes reduced visitation to fee increases, weather, and the recession.

Share of State Revenue Needed for Bond Payments Peaks in 1995-96^a



^aData are for fiscal years ending in year shown.

^bIncludes both voter-approved general obligation bonds and bonds financed by state lease payments.

- This figure shows estimated costs to pay principal and interest on currently authorized state bonds as a percentage of projected state General Fund revenues (the state's debt-service ratio).
- Current 5-year capital outlay plans exceed authorized bond funding by \$24 billion.
- Issuing \$5 billion annually of additional bonds, starting in 1994-95, would raise the debt-service ratio to a peak of 8.6 percent in 2002-03.

LEGISLATIVE ANALYST'S OFFICE

STAFF ASSIGNMENTS

51

ELIZABETH G. HILL • LEGISLATIVE ANALYST

Hadley Johnson, Deputy

Mac Taylor, Deputy

Phone: 916 • 445 • 4656

BUSINESS, LABOR, AND CAPITAL OUTLAY

Director: *Gerald Beavers*
Capital outlay and bond financing *Chuck Nicol*
Business regulation and development *Nick Bartsch*
Labor and consumer issues *Barry Brewer*
Pensions/state employee issues *Robert Turnage*

CRIMINAL JUSTICE AND STATE ADMINISTRATION

Director: *Craig Cornett*
Adult corrections *Raul Bernard Orozco*
Courts and law enforcement *David Esparza*
Juvenile/local criminal justice *Vacant*
State Administration *Bill Lucia*

EDUCATION

Director: *Carol Bingham*
UC/CSU *R. Stuart Marshall*
Community colleges/
 adult education *Donna Watkins Olsson*
K-12 financing issues *Robert Loessberg-Zahl*
Categorical programs *Paul Warren*
Categorical programs *Vacant*

HEALTH AND WELFARE

Director:	Chuck Lieberman
Welfare/cash grants	Vacant
Social services	Agnes Lee
Medi-Cal	Bill Wehrle
Health services	Diane Van Maren
Developmental services/ Mental health	Ginny Puddefoot

STATE AND LOCAL FINANCE

Director:	Peter Schaafsma
Budget overview	Dan Rabovsky
State taxes	Glen Lee
Local government	Sarah Olsen/ Marianne O'Malley
Economic issues/ Revenue forecasting	Phillip Vincent

TRANSPORTATION AND RESOURCES

Director:	Dana Curry
Transportation financing/ mass transit	Clifton John Curry
Transportation, highway operations, capital outlay	Vacant
Resources Agency departments	Michael Zelner
Environmental Protection Agency departments	Rob Egel

SPECIAL ASSIGNMENTS

Special Projects	Jim Patterson
------------------------	---------------

NOTES

NOTES _____