



## 2014-15 Summary of Governor's Vetoes

June 20, 2014

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Chair, Assembly Budget Committee

On June 20, 2014, Governor Brown signed AB 852, the 2014-15 Budget Act. The Governor made seven vetoes, none reducing General Fund. Most of these vetoes involved language provisions and special funds, so the overall General Fund expenditure level for 2014-15 remains unchanged at \$108 billion General Fund (\$156.4 billion all funds), the level provided for in Conference Committee. This document provides a summary of all of the vetoes and signing messages for SB 852. The Committee will create an updated Floor Report in the near future, as the Governor takes action on the 18 budget trailer bills still before him.

<b>General Fund Budget Summary</b>		
<b>(Dollars in Millions)</b>		
	<b>2013-14</b>	<b>2014-15</b>
<b>Prior Year Balance</b>	<b>\$2,429</b>	<b>\$3,903</b>
Revenues and Transfers	\$102,185	\$105,488
<b>Total Resources Available</b>	<b>\$104,614</b>	<b>\$109,391</b>
Non-Proposition 98 Expenditures	\$57,891	\$63,526
Proposition 98 Expenditures	\$42,731	\$44,462
<b>Total Expenditures</b>	<b>\$100,711</b>	<b>\$107,988</b>
<b>Fund Balance</b>	<b>\$3,903</b>	<b>\$1,404</b>
Reserve for Liquidation of Encumbrances	(\$955)	(\$955)
<b>Regular Reserve</b>	<b>\$2,948</b>	<b>\$449</b>
<b>Budget Stabilization Account/Rainy Day Fund</b>		<b>\$1,606</b>
<b>Final Combined Reserves:</b>	<b>\$2,948</b>	<b>\$2,055</b>

## SUMMARY OF VETOES

- **Department of Insurance.** Reduces a legislative augmentation of special funds to provide staff at the Department of Insurance to enforce federal mental health parity from \$749,000 to \$375,000.
- **Department of Managed Health Care.** Reduces a legislative augmentation of special funds to provide staff to enforce federal mental health parity from \$4.2 million to \$2.1 million.
- **California Highway Patrol.** Eliminates \$700,000 of Motor Vehicle Account funding that was intended to support a new distracted drivers program for teen drivers.
- **Energy Resources Conservation and Development Commission.** Makes a technical veto to eliminate a duplicate appropriation for \$28 million of Proposition 39 funds for Energy Conservation Assistance Act (ECAA) funding at K-12 schools. The \$28 million for ECAA for K-12 is unchanged.
- **Department of Developmental Services.** Eliminates budget bill language that would have updated the core staffing and rate-setting methodologies for community-based services and supports. This veto message says that in lieu of this budget bill language, the Health and Human Services Agency will convene a task force to review both of these issues.
- **Department of Education.** Deleted intent language regarding education materials for the blind that was proposed in the Senate version of the budget, but not adopted by the Conference Committee. This technical veto deletes the language that was erroneously retained in the budget bill.
- **Shared Revenue.** Makes technical reduction to the Highway Use Tax Account funds, reducing the amount in the budget to \$34,800 to reflect the allocation adopted by the Conference Committee. The budget makes three separate technical vetoes as a result of this adjustment.