

How bad are these budget cuts?
Why are they happening?
And what can we do to stop them?

Cuts in K-12 Education

- \$18 billion in Cuts to K-12 Since 2008 - That's over 50 percent of the K-12 budget
- This is a cut of nearly \$3,000 per student.
- More than 30,000 teachers and 10,000 other school employees have been laid off over the past three years.
- An additional 52,000 pink slips have gone out this year to teachers.

What these cuts mean:

- California ranks at the bottom of all 50 states in staff to student ratio.
- Larger class sizes, elimination of art, music, career technical education programs, and transportation.
- Average class size is over 40 students and as high as 60 students.
- The average high school dropout rate in California is 20 percent. But in many districts, it's over 50 percent.

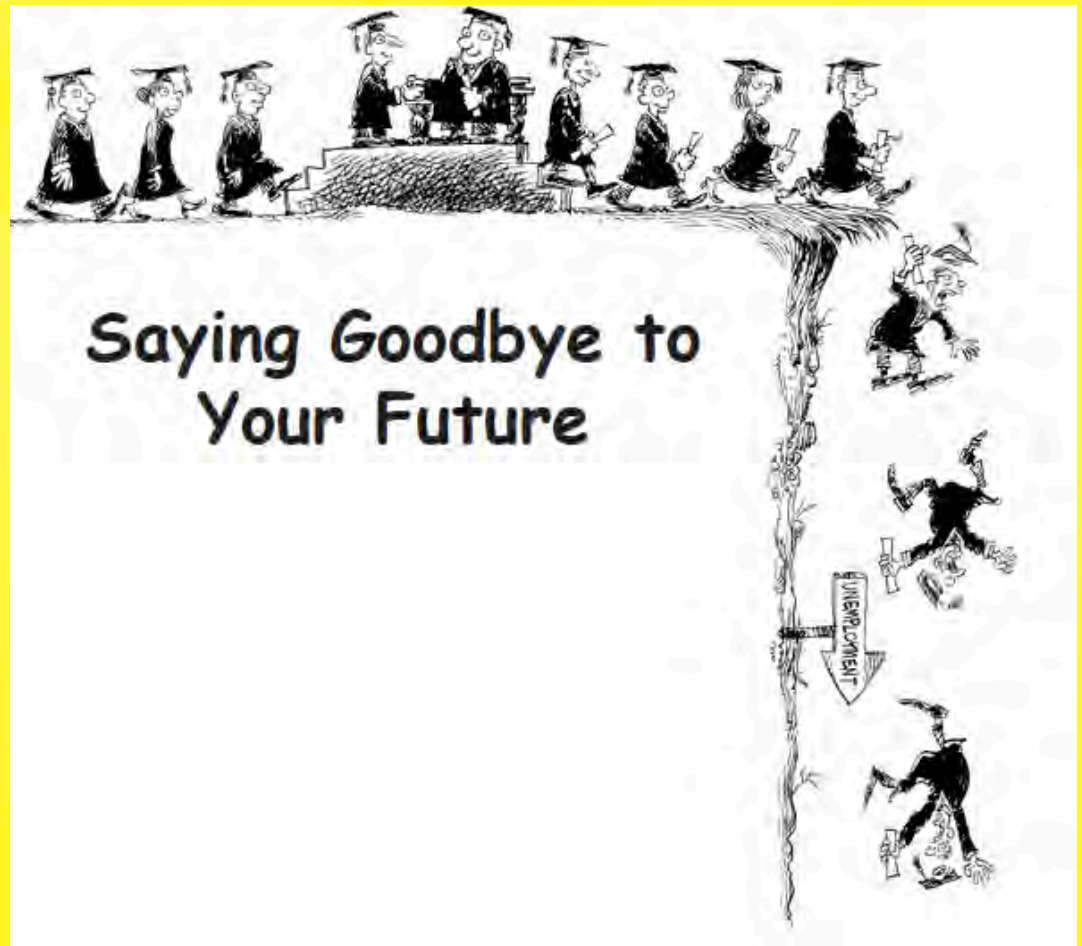


Cuts to Community Colleges

- Community colleges in California face a cut of \$400 million
- In addition to \$840 million in cuts from 2008-2010.
- Since 2007 total community college funding has been cut by 30 percent.
- Upcoming budget cuts could force 400,000 students out of community college.
- In addition to 250,000 students turned away in the past two years.
- In 2001, fees per unit were under \$11, the latest proposal increases fees from \$26 to \$36 per unit and now likely \$66 per unit

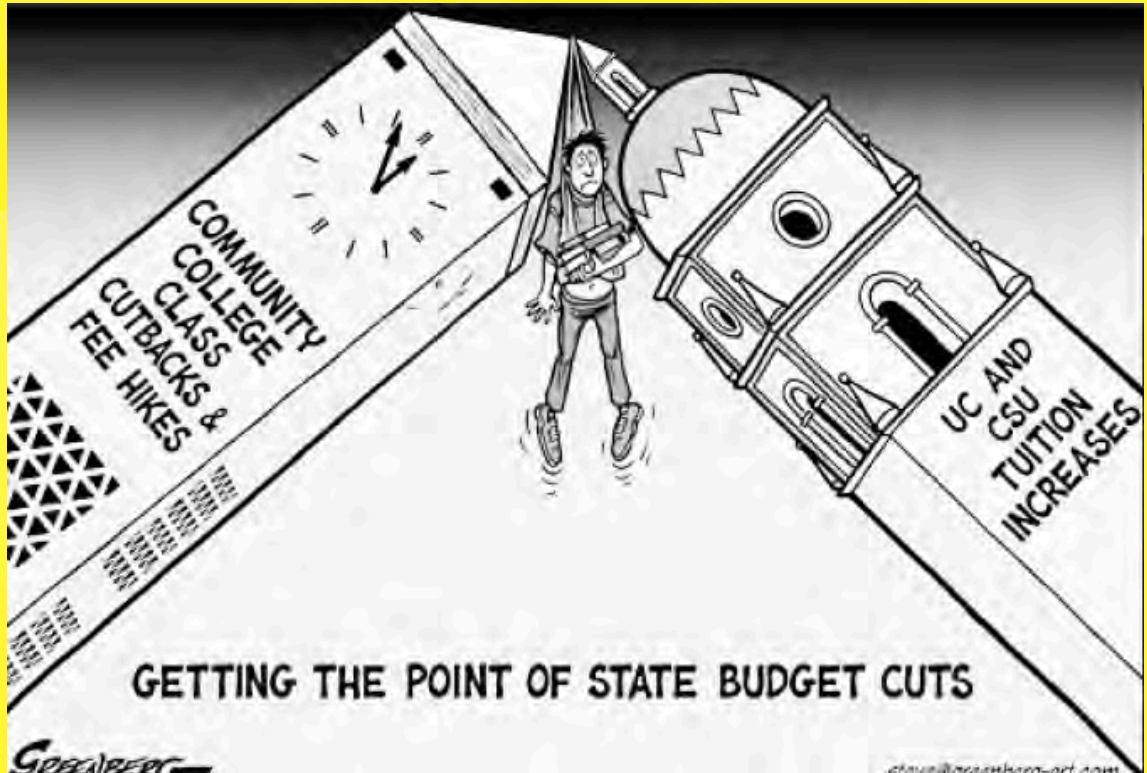
What these cuts mean?

- Cancelled classes and programs.
- Cutting support programs and services, counselors, tutors, library times and many others.
- Huge cuts in summer classes or whole summer sessions eliminated.
- One out of three community college students cannot enroll in their desired classes.
- Students not getting enough units to qualify for financial aid and have to drop out.
- Some students ending up homeless
- More stress while psych counselors are eliminated.



Cuts to UCs

- \$500 million in cuts this year
- Cut by \$813 million in 2009.
- Tuition: \$11,285
- 330 percent increase since 2000



Cuts to CSUs

- Facing \$500 million more cuts this year
- More than \$800 million dollars cut since 2007.
- Undergraduate tuition \$4,884
- 290 percent since 2000

Cuts to Social Services

- \$1.7 billion cut to Medi-Cal
- \$1.5 billion cut to CalWORKs
- \$750 million from Department of Developmental Services
- \$500 million from In-Home-Supportive-Services Program (IHSS)
- \$750 million in child care cuts
- \$385 million in cuts from Healthy Families Program



Transportation Workers



- **\$25 million** deficit in 2010 (**\$25 million** deficit in 2011)
 - **\$100 million** in concessions from workers over next four years.
 - **20 minute** delay between trains (up from 15)

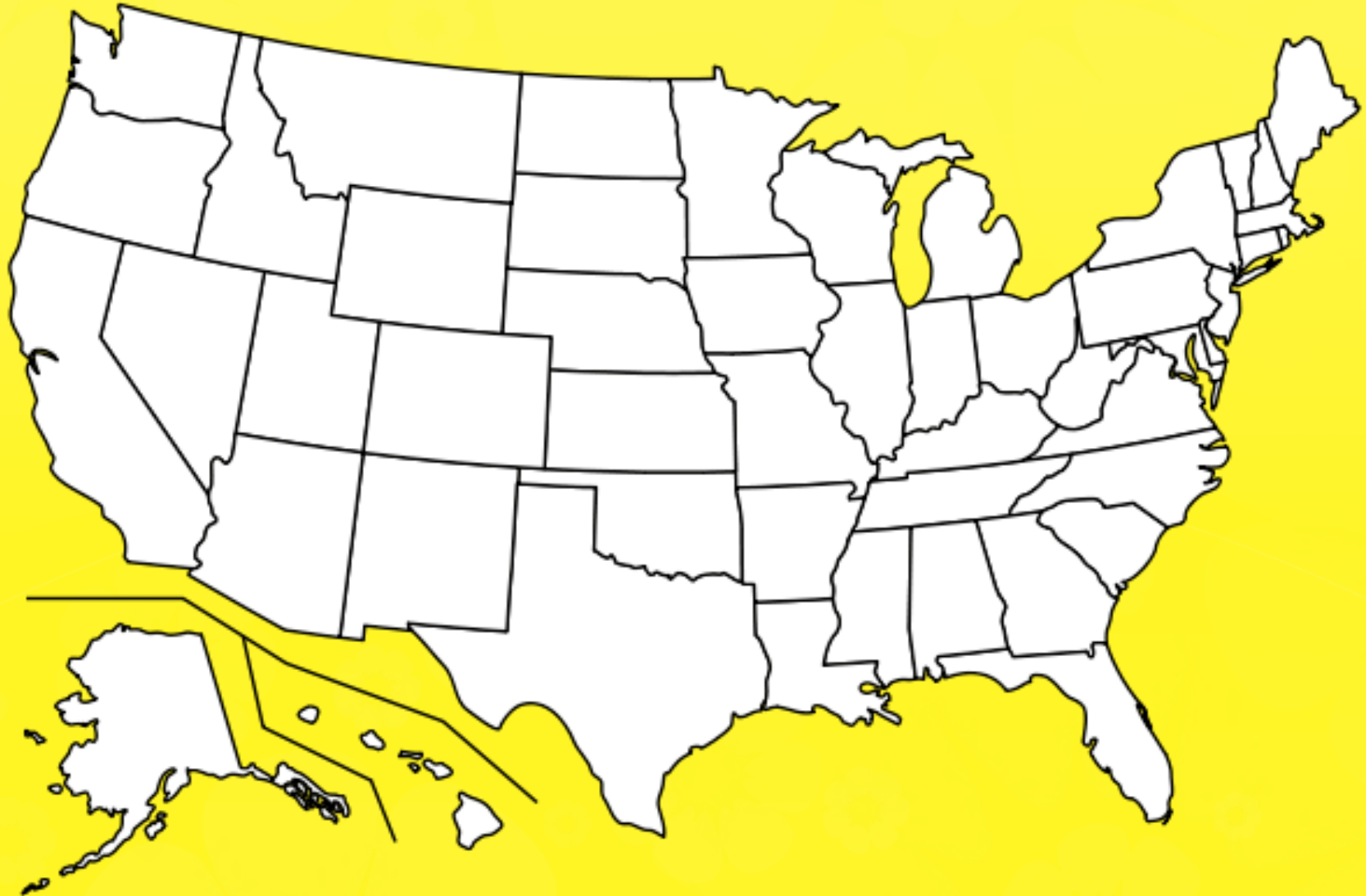


- **\$17 million** deficit in 2010 (**\$53 million** for 2011; **\$1.6 billion** over next twenty years)
 - **Prop G** passed in November.
 - Major attacks on drivers expected in July.

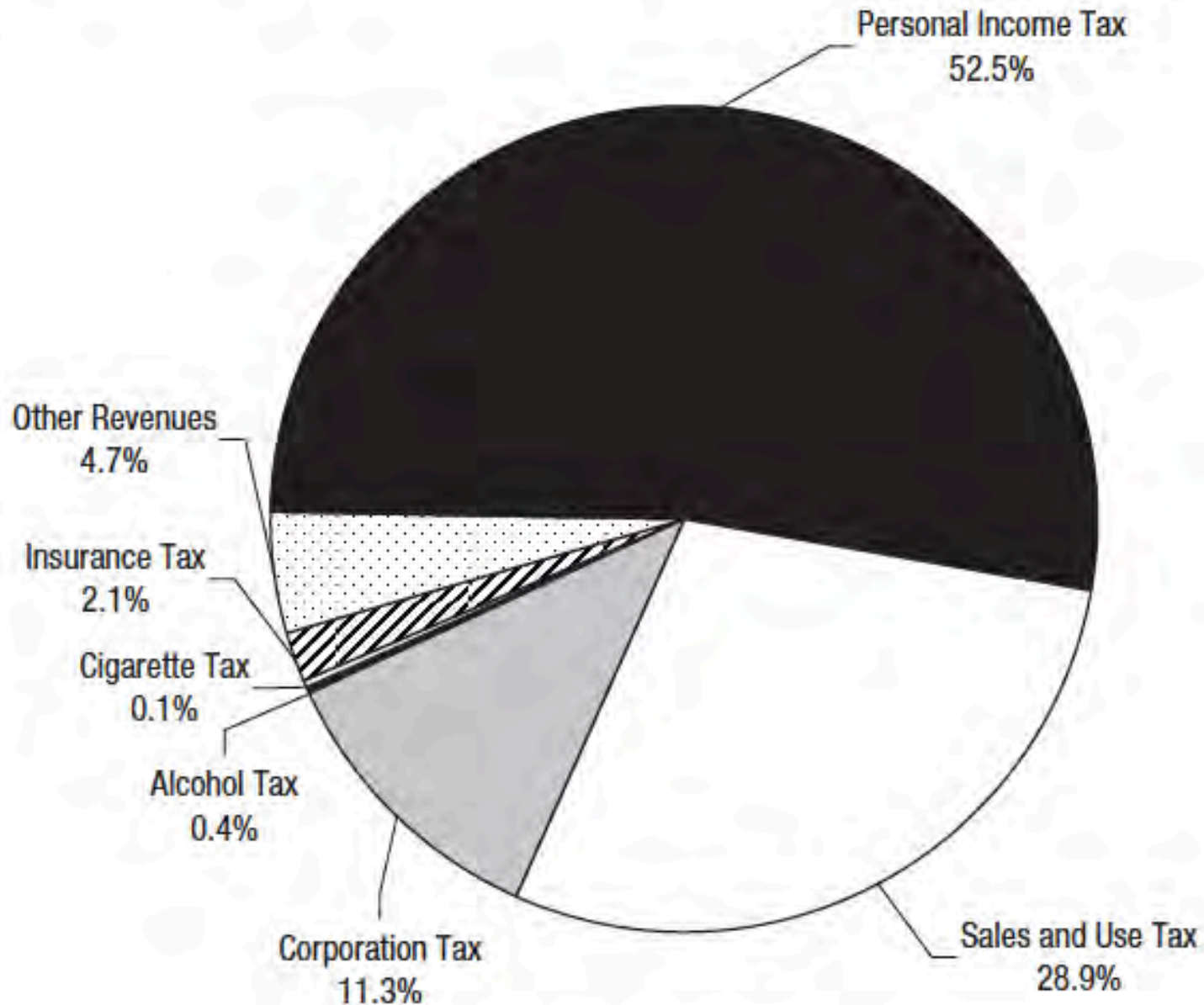


- **\$56 million deficit** between 2009-11
 - **15 percent cuts** to service in 2010
 - **160 layoffs** in 2010, including 120 drivers.
 - **\$38 million in concessions** from drivers and mechanics over next three years.
 - Still has **\$13 million deficit for 2011.**

**48 out of 50 states face budget
deficits totaling \$144 billion**



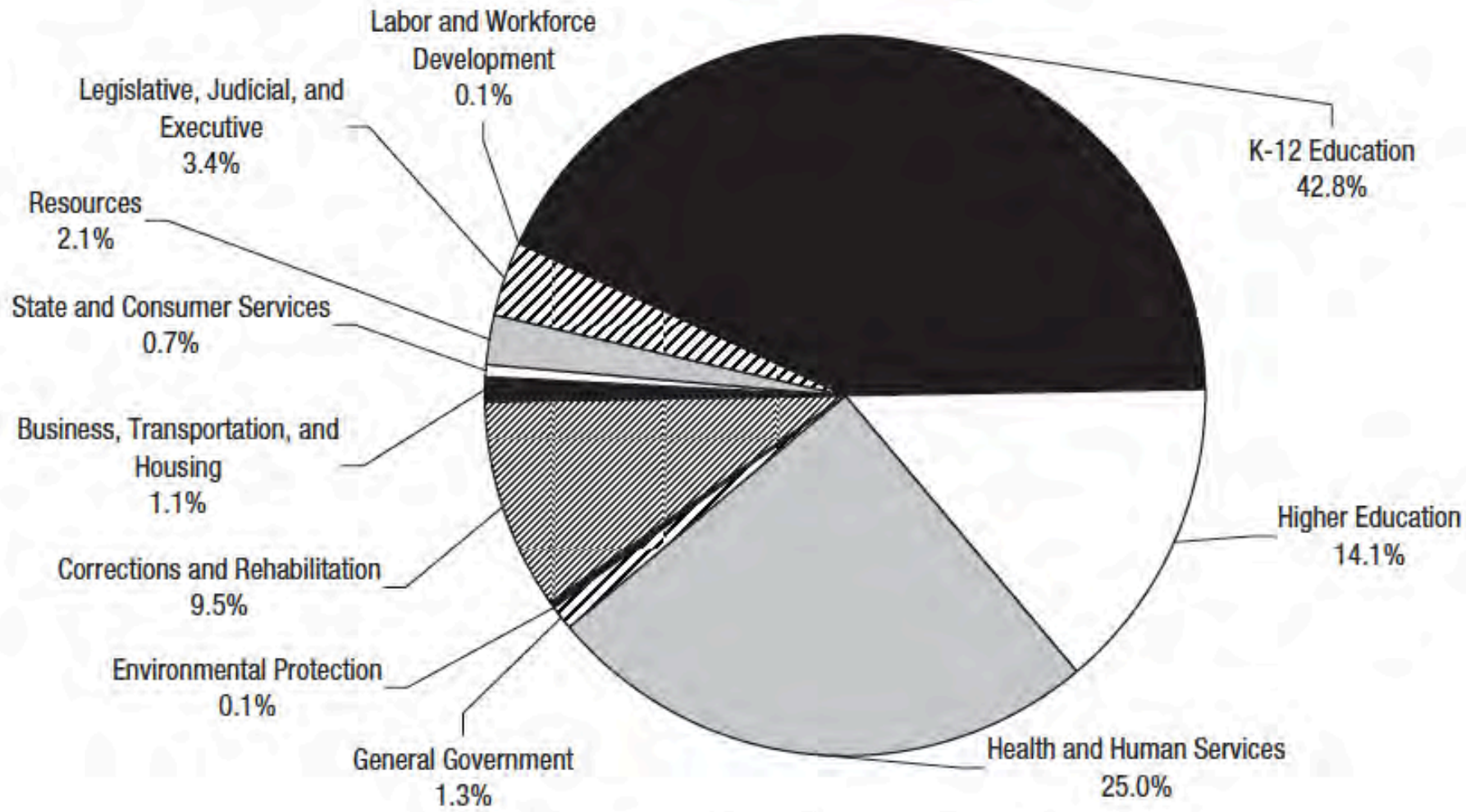
The Personal Income Tax Provides More Than Half of 2010-11 General Fund Revenues



Projected 2010-11 General Fund Revenues = \$89.3 Billion

Education Accounts for the Largest Share of 2010-11 Spending

General Fund Spending by Agency

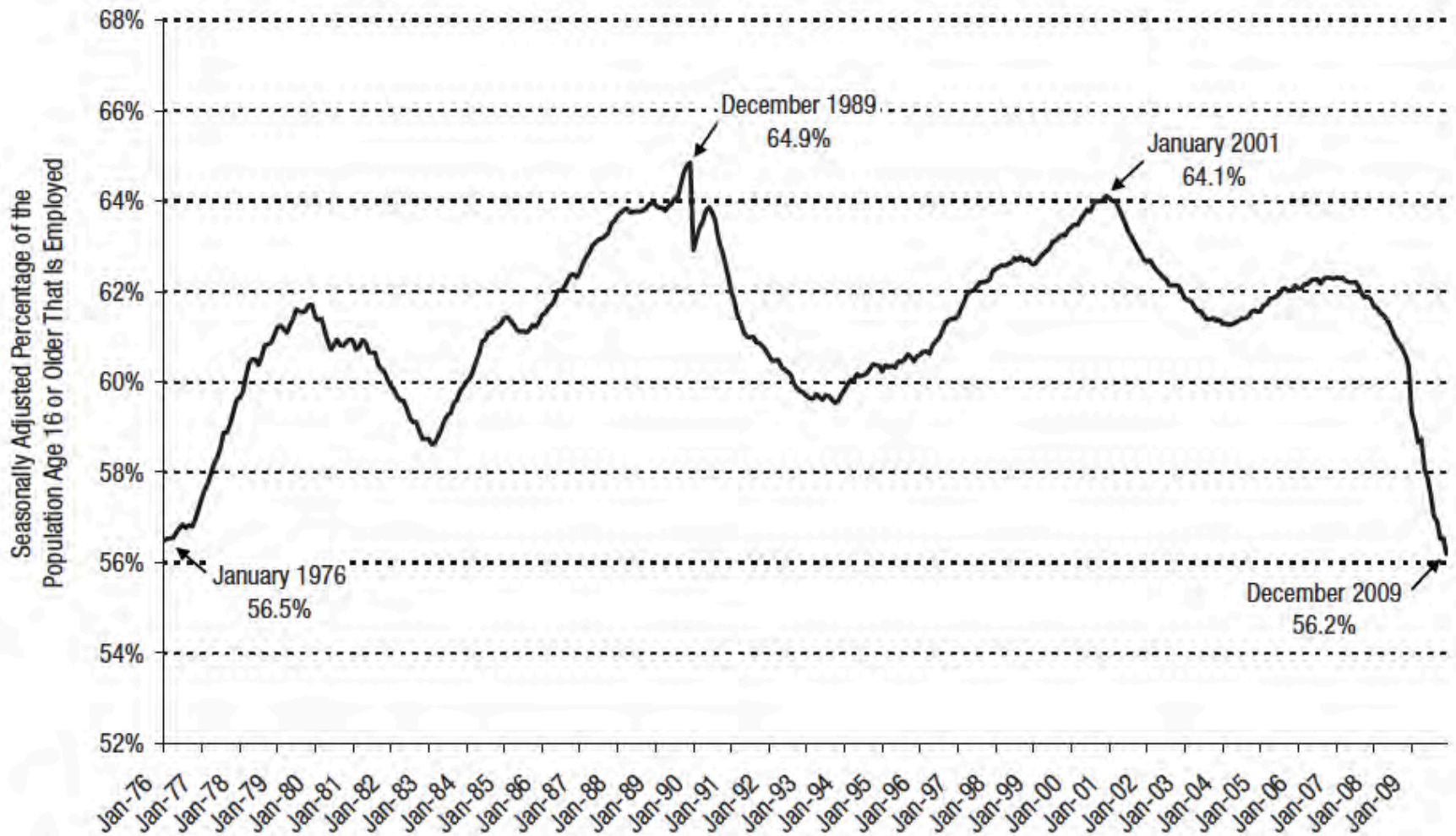


2010-11 Proposed General Fund Expenditures = \$82.9 Billion

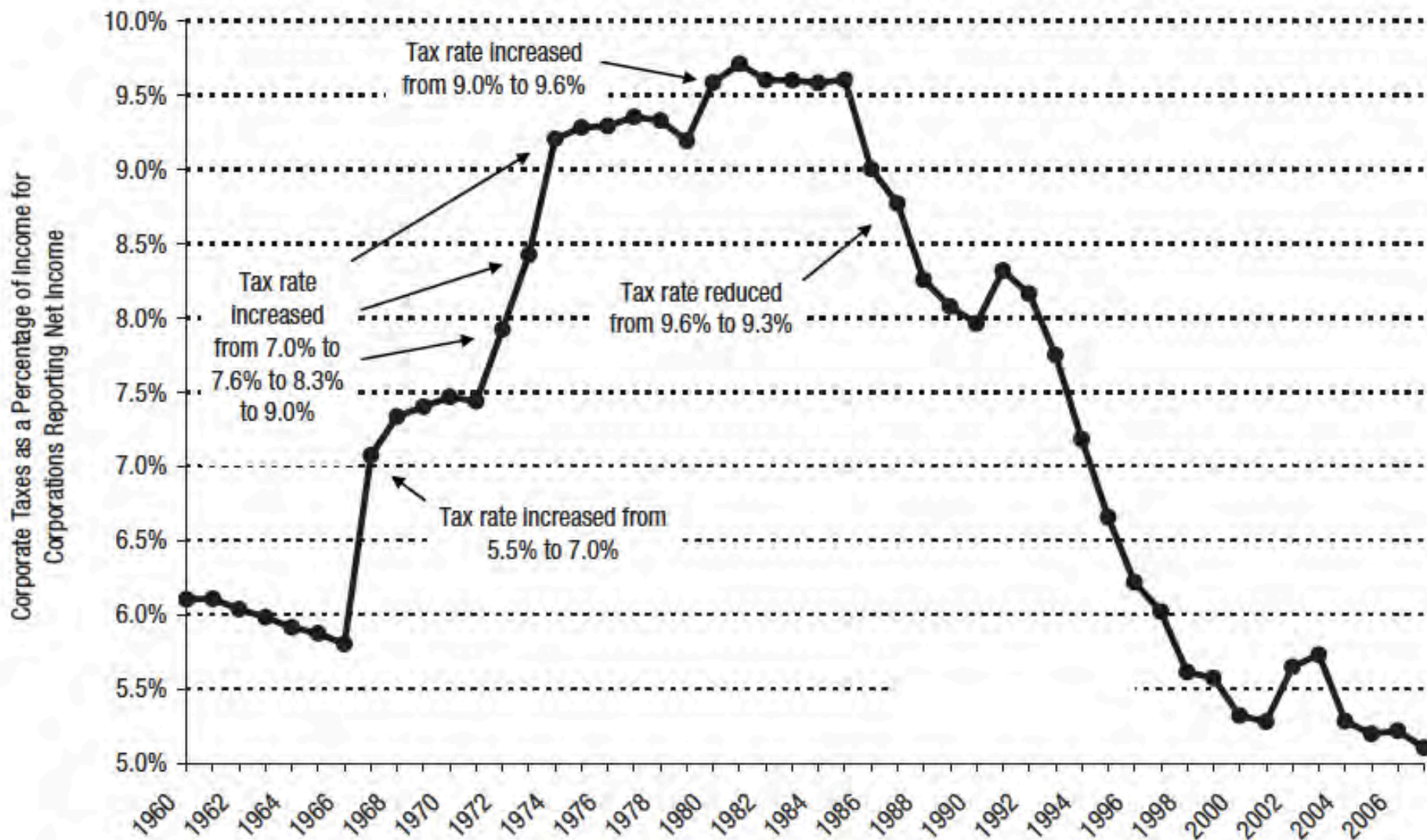
California Is The 9th Largest Economy In The World



California's Employment Rate Fell to Its Lowest Level in At Least 33 Years in December 2009



The Share of Corporate Income Paid in Taxes Has Fallen by Nearly Half Since 1981



**\$26 billion California
Budget Deficit**

**Revenue of the top 57 Corporations in
California for 2010:**

\$1,103,845,000,000

**57 of the Fortune 500 companies are in California.
Raising their taxes could also generate revenue.**

Tax Increase

+2%

+4%

Revenue per Year

\$1 billion

\$2 billion

**California Budget Deficit:
\$26 billion**



The richest one percent of Californians make 50.7 times more than the average Californian. Raising their taxes would generate a lot of revenue.

Tax Increase

+1%

+2%

+3%

+4%

Revenue per Year

\$5 billion

\$10 billion

\$15 billion

\$20 billion

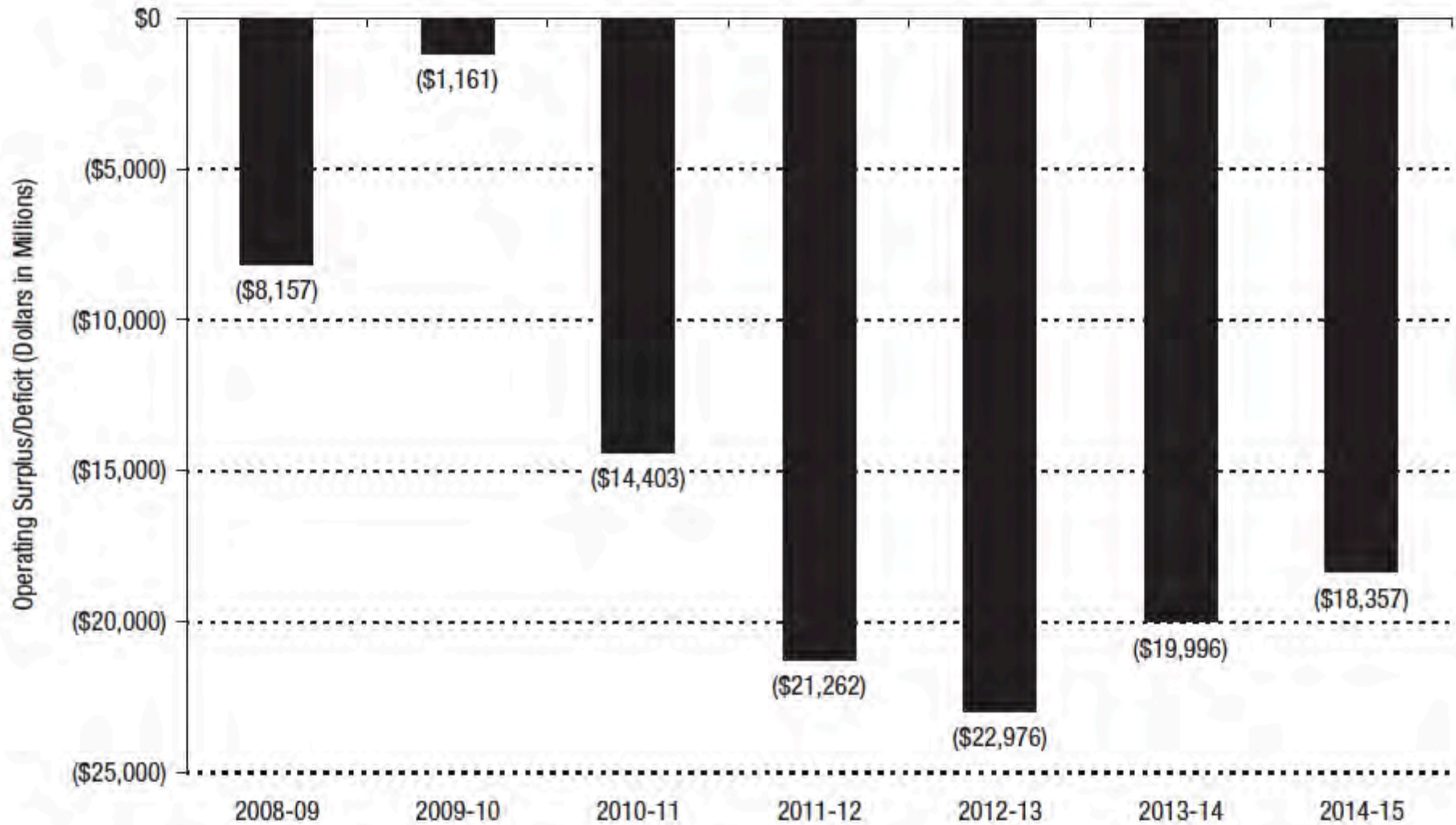
“What specific sacrifices are you asking the wealthiest Californians and corporations to make?”



“We’re continuing the income taxes that exist.”

Translation = NONE!

Significant Budget Shortfalls Are Expected To Continue



The New York Times

November 25, 2010

Corporate Profits Were the Highest on Record Last Quarter

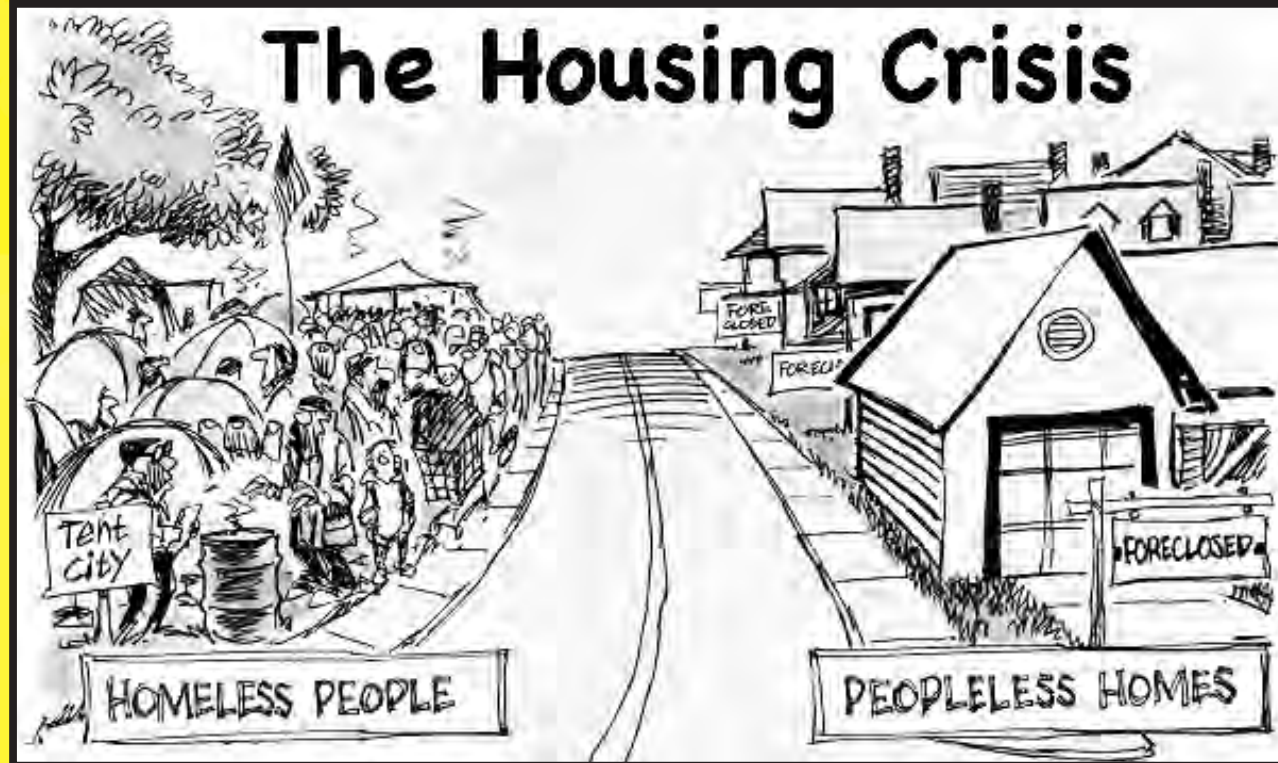
By CATHERINE RAMPELL

The nation's workers may be struggling, but American companies had their best quarter ever.

American businesses earned profits at an annual rate of \$1.659 trillion in the third quarter...

Foreclosures

Year	Foreclosures
2006	1.25 million
2007	2.20 million
2008	2.33 million
2009	2.82 million
2010	2.87 million
2011	3.44 million








- 2010 bank profits totaled over \$76 billion, the highest since 2007.
- In 2010 Goldman Sachs paid out \$16 billion in employee bonuses.
- There's an average of six vacant units for every homeless person in the whole country.

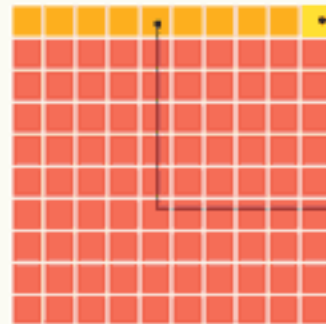
Nationally, there are an average of 8 job seekers for every job



AVERAGE INCOME PER FAMILY

Distributed by income group

- Top 0.01% 
- Top 0.01-0.1% 
- Top 1% 
- Top 1-10% 
- Bottom 90% 



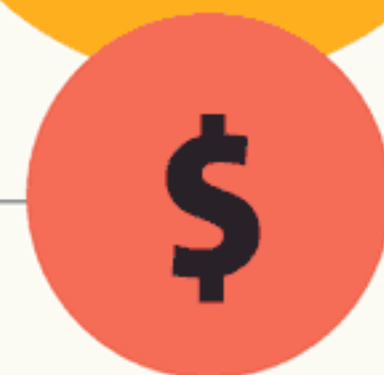
TOP 0.01%
\$27,342,212

TOP 0.01-0.1%
\$3,238,386

TOP 1%
\$1,137,684

TOP 1-10%
\$164,647

BOTTOM 90%
\$31,244



2008 data. Includes capital gains. Source: Emmanuel Saez, University of California-Berkeley

GAINS AND LOSSES, 2007-2009



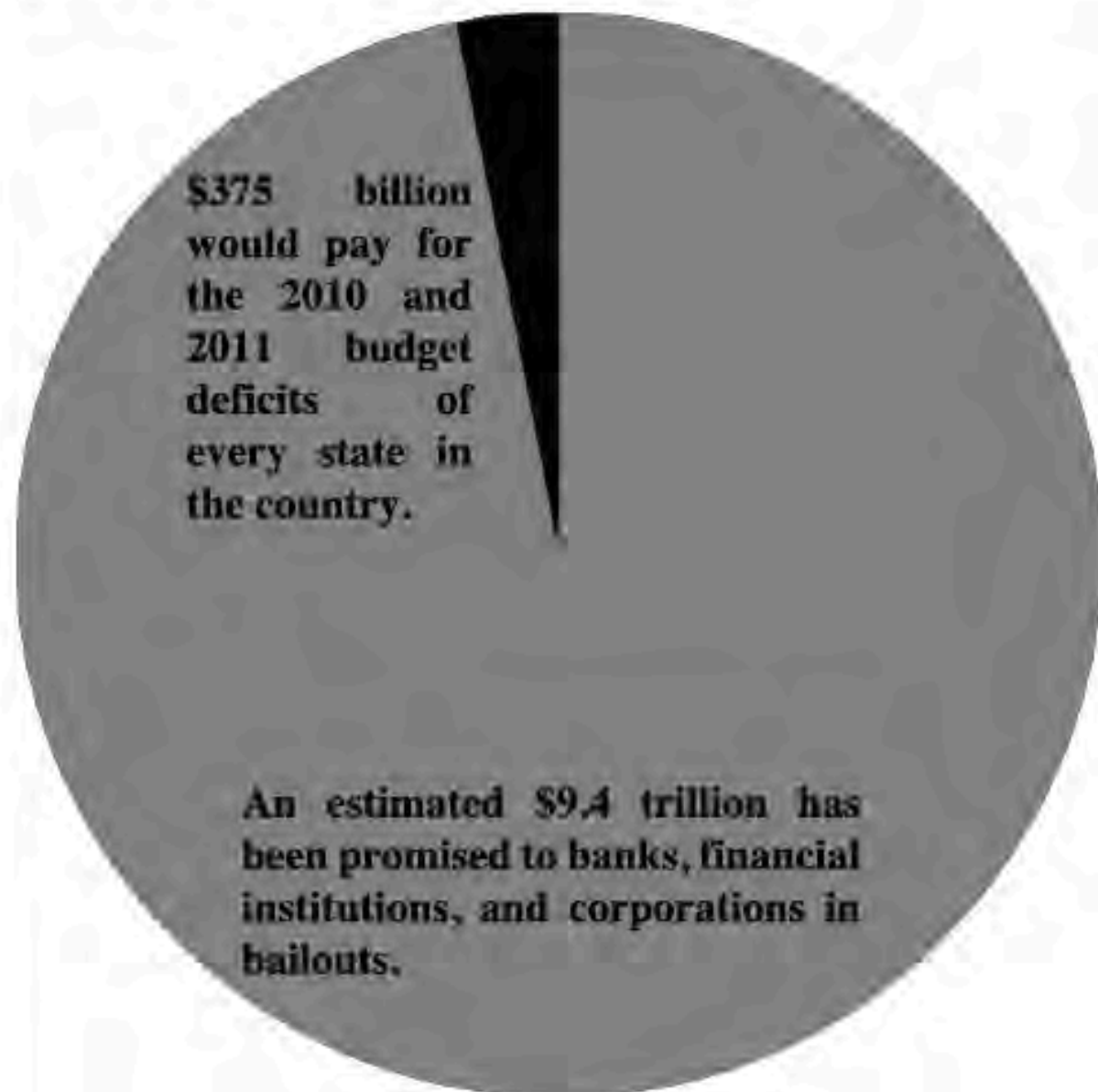
Sources: New York State Comptroller, Federal Reserve, Bureau of Labor Statistics

AVERAGE CEO PAY VS. AVERAGE WORKER PAY



2009 data.
Source:
Economic
Policy Institute

Only 4% of bailout money to banks and corporations would pay for every single state's budget deficit for the next two years.





Every year of war spending would pay for more than the budget deficit of every state in the country

The Crossroads

**STAND UP
AND
FIGHT!**

Our World
Our Interests
Our Future

Their World
Their Interests
Their Future

**SIT BACK
AND
TAKE IT!**

People are Practical They want change but feel powerless, alone,
do not want to be the blade of grass that
sticks up above the others and is cut down.
They wait for a sign from someone else
who will make the first move, or the second.
And at certain times in history
there are certain intrepid people who take the risk
that if they make that first move others will follow
quickly enough to prevent their being cut down.
And if we understand this, we
might make that first move. –Howard Zinn

