

Brown signs budget day before fiscal year begins

By Kevin Yamamura, Sacramento Bee

After a veto fight with his own party and unresolved differences with Republicans, Gov. Jerry Brown signed an on-time \$85.9 billion spending plan Thursday that slashes higher education and the safety net while relying on a windfall of tax revenues.

Besides a February 2009 budget that was \$24 billion out of whack that same May, the plan Brown signed Thursday was the state's earliest since 2006. Democratic lawmakers relied on new voter-approved powers that enabled them to pass a budget with majority support rather than two-thirds.

Since talks with Republicans died over the weekend, GOP leaders have declared victory by blocking tax extensions and allowing taxes on vehicles and sales to fall Friday as 2009 rates expire. They celebrated Thursday by holding a press conference at Downtown Ford.

Democrats were measured in their response, bemoaning the program cuts but saying it was the best package they could construct without Republican support. Brown chose not to have a public signing ceremony Thursday, signing the budget bills behind closed doors.

Brown and Democratic leaders have vowed to pursue a 2012 ballot initiative asking voters to reinstate those tax hikes. One of the budget bills, Assembly Bill 114, lays the groundwork for such a measure, setting terms for a retroactive \$2 billion school repayment should voters reject taxes or the ballot proposal never materialize.

Read the whole story