

# Dismantling California's public services: Budget crises hit state, county and city governments

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Various state-funded agencies in California, as well as counties and cities throughout the state, are preparing for and implementing widespread reductions in public services. These measures are in anticipation of the looming impact of the state's \$14 billion budget deficit for the fiscal year beginning July 1. Many are also the result of the billions of dollars in cuts made in state financing for social programs under the administration of the previous governor, Democrat Gray Davis.

The recent passage of the Balanced Budget Act, which was approved by California voters on the basis of the combined support of the Democratic and Republican parties, mandates that state legislators pass a budget each June in which spending does not exceed revenues. With the ongoing fiscal crisis in the state and the deep-seated opposition within the political establishment to any substantial raising of taxes on big business and the wealthy, the only way to bring California's budget into equilibrium is through extensive attacks on the social safety net and the public infrastructure.

Local governments throughout California are facing multimillion-dollar fiscal crises, with counties being among the hardest hit. In part, the problems stem from the fact that since March, in order to shore up the state treasury, Sacramento has been withholding \$1.5 billion in car-tax fee money that it normally gives to local governments. In addition, the counties must be prepared for the across-the-board cuts in state support for county programs demanded in Schwarzenegger's proposed 2004-2005 budget, even though the state legislature has yet to approve this budget. Thus, in drafting their own budgets for the coming fiscal year, the counties are forced to take preemptive measures.

The size of the current and anticipated deficits faced by just eight of the state's local governments gives one a sense of the scale of the crisis in California, whose economy is the sixth largest in the world:

- \* Los Angeles County—\$269 million shortfall in the 2004-2005 fiscal year,
- \* City of Los Angeles—\$250 million shortfall in the 2004-2005 fiscal year,
- \* San Francisco County—\$300 million current shortfall,

- \* Ventura County—\$39 million current shortfall and at least an \$18 million shortfall in the 2004-2005 fiscal year,

- \* Riverside County—\$145 million shortfall for this fiscal year and the next,

- \* Sacramento County—\$50 million current shortfall,

- \* San Bernadino County—\$248 million shortfall in the 2004-2005 fiscal year,

- \* Orange County—\$62 million shortfall in the 2004-2005 fiscal year, and

- \* City of Richmond—\$35.2 million current shortfall.

The counties and cities are addressing these massive budget deficits by gutting health and mental services, particularly those for the poor; freezing hiring at government agencies; shuttering libraries, parks and recreation facilities; reducing public safety and emergency services; cutting funding for education, the arts, youth programs, prisoner rehabilitation, drug prevention, and the court systems; and dismantling or reducing many other social services.

For example, Los Angeles County is gearing up to close its 19 youth probation camps—halfway institutions designed to keep at-risk youth who have criminal records out of the state prison system while preparing them for a successful return home. The City of Los Angeles is poised to get rid of its drug-abuse prevention program for children, reduce enforcement of building codes, gut funding for arts programs, and eliminate one of the city's public-access television stations.

The City of Richmond in Northern California is closing all of its branch libraries and half of its recreational centers. Orange County supervisors have instituted a hiring freeze, are requesting that county employees no longer be allowed to "cash-in" their unused sick and vacation pay, and have suggested that all departments adjust their thermostats to reduce energy costs. Supervisors in San Bernadino County instructed all of their departments to draft plans for the implementation of a 21 percent cut in their budgets.

While the specific programs and areas targeted for cuts vary by county and city, layoffs are a universal result in all these areas.

The Department of Education in Orange County expects to

lay off close to 450 teachers, which will result in the abandonment of a program to reduce class sizes in the region's schools. San Bernadino County, which this past year fired 218 workers in its public health and social services programs, has said that it will be impossible to address the budget crises without additional layoffs because 83 percent of its general fund goes to pay salaries and benefits. The City of Richmond is getting rid of 213 workers by closing its branch libraries and several recreational centers. In Los Angeles, the mayor's office is planning to eliminate 1,000 city jobs through attrition.

State-sponsored health care programs are also under attack. Though Republican Governor Arnold Schwarzenegger rescinded a threat to eliminate a program that provides services to severely developmentally disabled children in response to a widespread public outcry, two other programs that are designed to aid particularly vulnerable populations are either being cut or completely phased out.

California's Children's Services, which provides free care to severely ill children from low- and middle-income families, is being forced to trim its budget by \$1.9 million through the imposition of an enrollment cap. Children suffering from crippling birth defects, cancers and other catastrophic illnesses, many of whose parents lack health insurance but make too much money to enroll in either the federally or state-funded programs Medi-Care or Medi-Cal, will be refused care, facing possible death.

In a similar regard, the state-funded program for providing treatment to low-income men with prostate cancer, a disproportionate number of whom are African-Americans and Latinos, is being entirely dismantled. Dr. Mark Litwin, director of IMPACT (Improving Access, Counseling and Treatment for Californians with Prostate Cancer), was informed that he would have to choose which of his 320 patients would have their treatment end on June 30. This is the first deadline for ending the program, which could continue until December 31, the date when IMPACT will be forced to shut down completely.

California's public university system, widely regarded as the best in the nation, is bracing itself for severe cuts. Currently, administrators at two branches of the system—the California State University (CSU) and the University of California (UC)—are preparing to implement a \$784 million reduction in their general funding and a 5 percent reduction in their funding for research. These plans are in response to the cuts demanded by Governor Schwarzenegger in his proposed 2004-2005 budget.

In addition, administrators are preparing students at the CSU and UC schools for massive tuition and fee increases—40 percent for graduate students and 10 percent for undergraduates. Those going to the state's two-year community colleges, the third branch of California's public university system, have been told to expect the per-unit cost of attending to climb from \$18 to \$26. The previous year, the cost was just \$11. (Because many students going to community

colleges only attend part-time, fees are assessed on a "per-unit" basis. A typical course is 3 to 5 units. Students generally take between one and four courses a semester.)

These increases, if implemented as widely anticipated, come on the heels of a 40 percent increase in tuitions and fees the previous academic year for undergraduates.

The CSU, UC and community college campuses have already been shouldering the burden of three continuous years of budget cuts. The impact of these has been the layoff of part-time faculty, the implementation of various hiring freezes, a failure to maintain competitive salaries for professors, the slashing of administrative positions, reductions in support staff, shortening of library hours, increased class sizes, reduced course offerings, fewer research opportunities, and the elimination of sports programs and scholarships.

For the 2004-2005 academic year, outreach programs, including the popular Educational Opportunity Program (EOP) aimed at helping low-income and first-generation immigrant students gain admission to the CSU and UC schools, are on the chopping block.

The effect of the budget cuts has been exacerbated by the growing enrollment in the public universities and colleges, due in part to the state's expanding population. In the UC branch alone, over the past four years there has been a 16 percent increase in the number of students attending.

In response to this situation, Schwarzenegger, who billed himself as the education candidate during his campaign to unseat Davis in the recent gubernatorial recall election, has demanded that for the first time ever administrators at the CSU and UC campuses refuse admission to some qualified students. Even though the 2004-2005 budget has not yet been passed, because of the acceptance notification deadlines the universities are already determining which students will be denied admittance.

Students from the CSU system have been staging rallies at different locations around the state to protest Schwarzenegger's proposed cuts and enrollment policy. On Thursday, April 29, 350 students demonstrated on CSU's Fullerton campus. Earlier that week, on Monday, April 26, 2,000 CSU students held a protest outside the governor's offices in Los Angeles. On March 15, 10,000 community college students descended on the state capital of Sacramento to protest budget cuts. At UC's Berkeley campus, 400 students staged a rally aimed at demonstrating the impact of the proposed cuts on the prestigious university's graduation rates.



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