



FULL MOON STRATEGIES

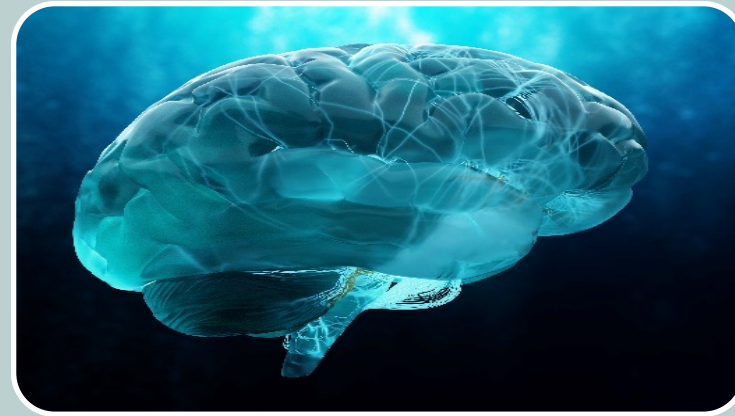
California State Budget 101: Climate Center

Presented by
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Understanding the Budget



Who are the key players?



What do I need to know about the budget?



When does it happen?



Where can I learn more?



SENATE BUDGET AND FISCAL REVIEW COMMITTEE



Key Budget Players

Budget Basics



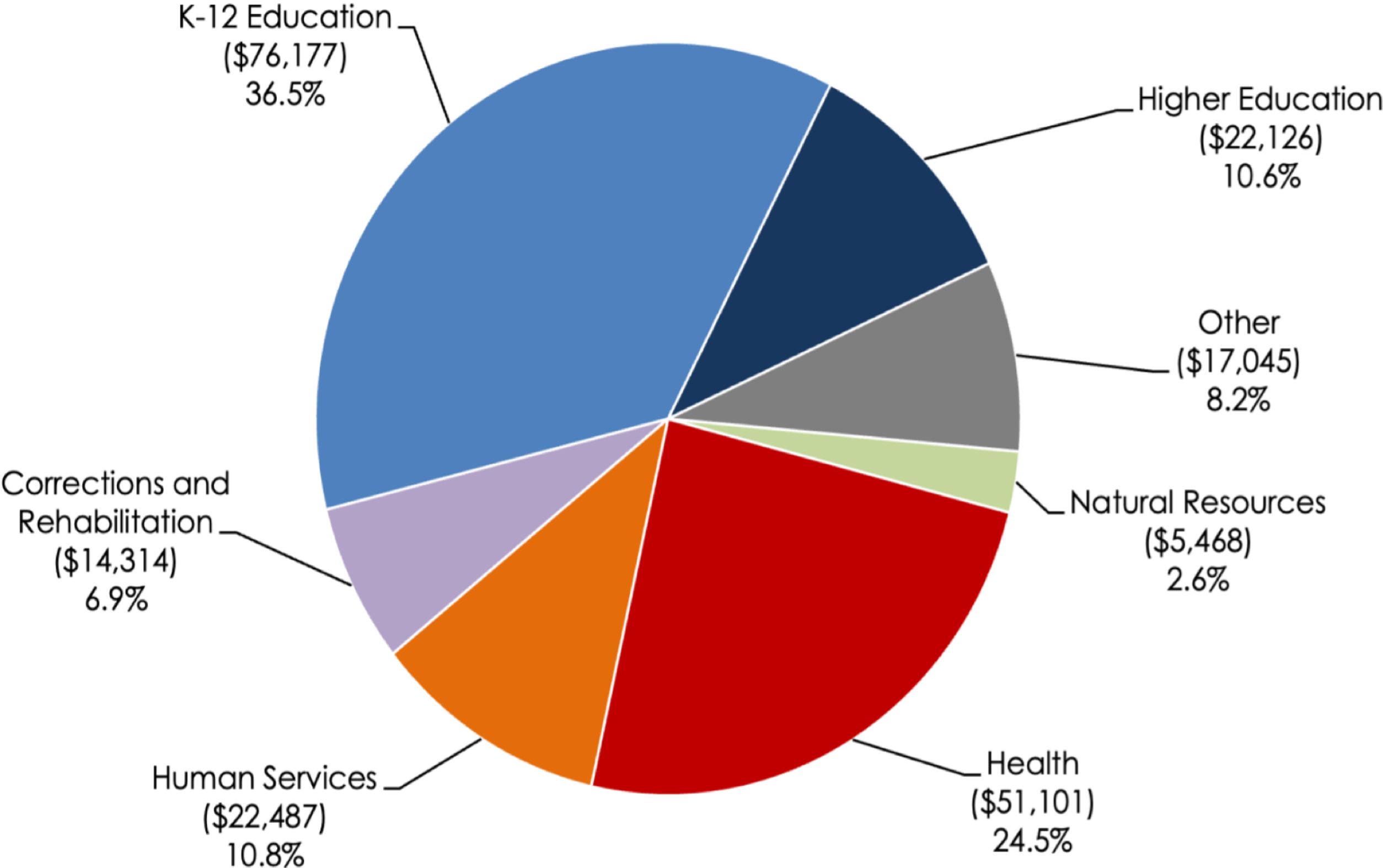
Four funding sources:

- General Fund
- Special Fund
- Bond Funds
- Federal Funds

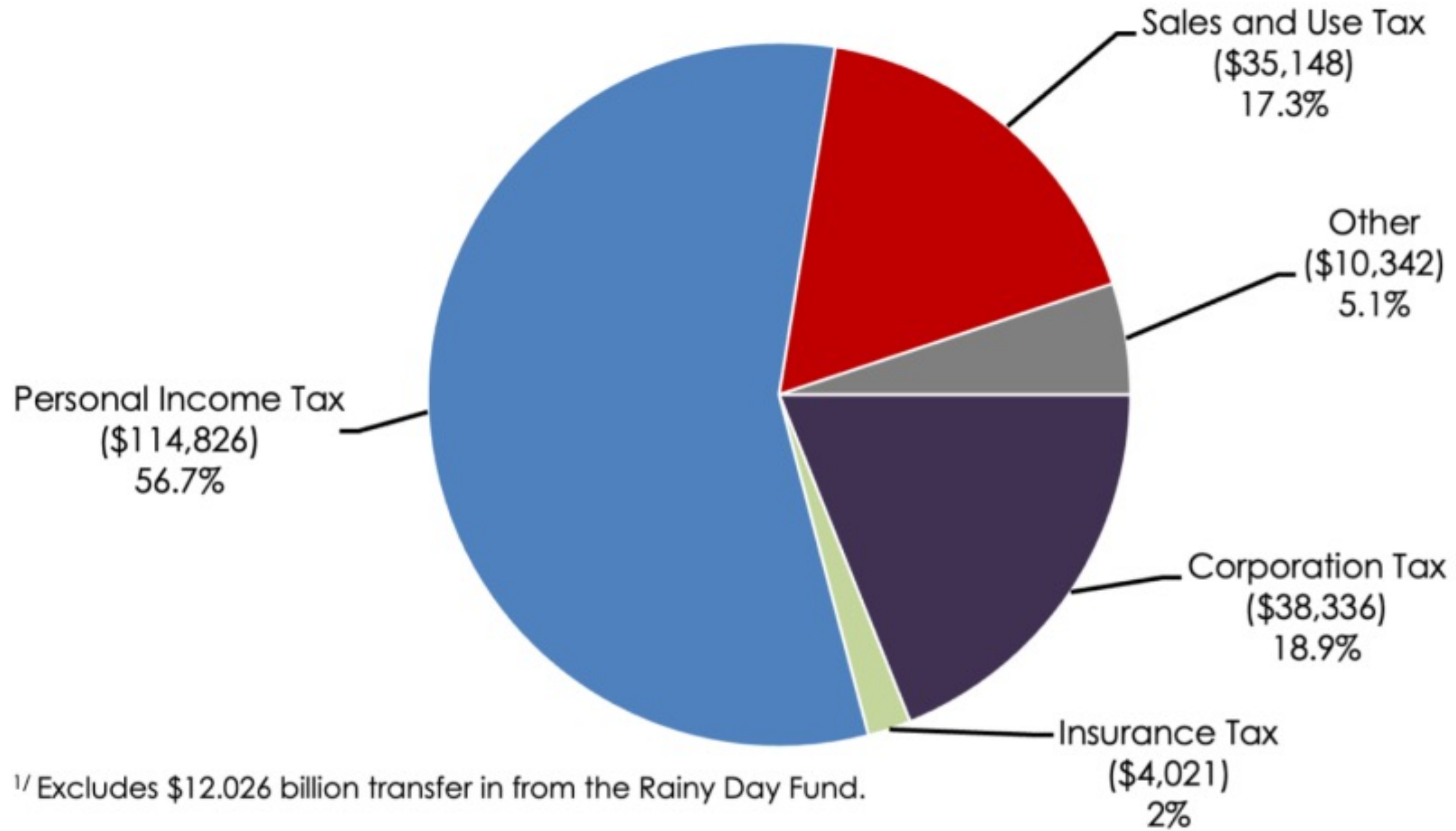
Constitutional Provisions:

- Proposition 2-Rainy Day Fund
 - Proposition 98
 - State Appropriation Limit — GANN Limit
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2024-25
General Fund Expenditures
(Dollars in Millions)



2024-25
General Fund Revenues and Transfers^{1/}
(Dollars in Millions)



^{1/} Excludes \$12.026 billion transfer in from the Rainy Day Fund.

General Fund Revenues: Fun Facts

- ✓ Personal income tax represents roughly two-thirds of all General Fund revenues—180,000—were responsible for half of all personal income tax paid by residents in 2021—or \$62.9 billion.
- ✓ Capital gains is volatile -over the last 3 decades it has swung from over 10% of personal income to less than 2%
- ✓ The Prop 2 Rainy Day Fund requires larger transfers when capital gains are high

General Fund: Climate Budget

- ✓ Traditionally climate has been funded with special funds (e.g., GGRF)
- ✓ 2021 and 2022 Budget Acts provided \$54B in climate across the multiyear
- ✓ The 2023 Budget Act provided \$52B
- ✓ The January Budget proposes \$48.3 billion now across **seven** years

When: Understanding the Budget Calendar



Where can you educate yourself on all things budget?

The Department of Finance

- The source: www.dof.ca.gov

The Legislative Analyst

- For bipartisan analysis: www.lao.ca.gov

The Legislature

- For hearing agendas and final action reports: <https://sbud.senate.ca.gov/> and <https://abgt.assembly.ca.gov/>

Thank you!

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