

# Item 7

## (Information/Action Item)

### Update on Governor's proposed 2024-25 State Budget

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**SUMMARY:**

This item provides an update on the Governor's proposed 2024-25 State Budget.

**RECOMMENDATION:**

This is an information item; no action is required.

**BACKGROUND:**

The Governor is required to submit a budget proposal by January 10 of each year for the upcoming fiscal year, serving as the initial framework for budget negotiations with the Legislature. The "Overview of the Governor's Proposed 2024-25 Budget and Commission Impacts" attachment provides a summary of Governor Newsom's budgetary proposals related to financial aid and college affordability. The "Higher Education section of the Governor's Proposed 2024-25 Budget Summary" and "California Student Aid Commission Budget Detail Document" attachments are documents published by the Department of Finance as part of the presentation of the proposed 2024-25 Budget.

The Governor's Budget Proposal marks the beginning of the annual budget process. Legislative budget subcommittees will now move toward the second phase of the process by considering the issues proposed by the Governor and other key state needs throughout the spring. In May 2024, the Governor will issue a revised version of his Budget Proposal based on the updated revenue totals (known as the May Revise or May Revision). Per a state constitutional requirement, the Legislature has until midnight on June 15, 2024, to pass a balanced budget and send it to the Governor for his consideration. As with any legislation, the Governor may choose to sign or veto the entire bill reflecting the Budget; the Governor also has authority to veto individual spending items (known as line-item veto, or "blue pencil"). The Governor has until midnight on June 30, 2024, to act on the budget legislation.

**RESPONSIBLE PERSON(S):**

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