

EXECUTIVE DEPARTMENT
STATE OF CALIFORNIA

BUDGET EMERGENCY PROCLAMATION

WHEREAS on March 4, 2020, I proclaimed a state of emergency to exist in California, under the California Emergency Services Act, as a result of the threat of COVID-19; and

WHEREAS the COVID-19 pandemic requires future expenditures of state funds for personal protective equipment, medical equipment and other expenditures as necessary to support a potential hospital surge, to provide necessary services to vulnerable populations, and other expenditures necessary to respond to the threat and spread of COVID-19; and

WHEREAS the COVID-19 pandemic has triggered a global economic crisis, a recession, record job losses, severe impacts on small businesses, and a \$54.3 billion state budget deficit; and

WHEREAS over the past several years, certain deposits have been made into the state's rainy day fund, the Budget Stabilization Account, to provide reserves to help the state meet fiscal challenges when a Governor declares a budget emergency such as the budget emergency caused by the COVID-19 pandemic; and

WHEREAS the Budget Stabilization Account has \$16.1 billion in reserves; and

WHEREAS in order to address the COVID-19 pandemic, the state must use a portion of the reserves in the Budget Stabilization Account in the 2020-21 fiscal year to fund expenditures related to COVID-19 and provide other needed services; and

WHEREAS upon a proclamation of a budget emergency, the Legislature may pass a bill that (1) suspends for one fiscal year the transfer of moneys from the General Fund to the Budget Stabilization Account required by the Constitution, and (2) returns a certain amount of funds that have been transferred to the Budget Stabilization Account to the General Fund for appropriation to address the budget emergency.

NOW THEREFORE I, GAVIN NEWSOM, Governor of the State of California, in accordance with the authority vested in me by State Constitution, **DO HEREBY PROCLAIM** that the COVID-19 state of emergency constitutes an emergency within the meaning of Article XIII B, section 3, subdivision (c), paragraph (2), and a budget emergency within the meaning of Article XVI, section 22, subdivision (b), paragraph (1), of the State Constitution.

I FURTHER DIRECT that as soon as hereafter possible, this proclamation be filed in the Office of the Secretary of State and that widespread publicity and notice be given of this proclamation.

IN WITNESS WHEREOF I have hereunto set my hand and caused the Great Seal of the State of California to be affixed this 25th day of June 2020.



GAVIN NEWSOM
Governor of California

ATTEST:

ALEX PADILLA
Secretary of State