

PROPOSITION 58

December 14, 2003

The California Balanced Budget Act.  
Resolution Chapter 1, Statutes of 2003,  
5th Extraordinary Session (ACAX5 5).  
Chapter 1, Statutes of 2003,  
5th Extraordinary Session (ABX5 8).  
Sponsor: Assembly Member Jenny Oropeza.

**BALLOT LABEL**

**THE CALIFORNIA BALANCED BUDGET ACT.**

Requires the enactment of a balanced budget, addresses fiscal emergencies, and establishes a budget reserve. Fiscal Impact: Net state fiscal effects unknown and will vary by year, depending, in part on actions of future legislatures. Reserve provisions may smooth state spending, with reductions during economic expansions and increases during downturns. Provisions requiring balanced budgets and limiting deficit borrowing could result in more immediate actions to correct budgetary shortfalls.