

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

State Revenues Underperform: Implications for Proposition 98



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A Conversation With Ken Kapphahn

Fiscal year-to-date state revenues through January came in \$6.7 billion below the Governor's Budget estimates, which portends rough waters for Governor Gavin Newsom's upcoming May Revision. It's at that time he will issue an updated budget proposal for 2024-25 that will reflect the latest General Fund revenue figures.

To help local leaders understand what this could mean for the K-12 and community college budgets, we are joined by Ken Kapphahn, a Principal Fiscal and Policy Analyst at the Legislative Analyst's Office (LAO), who shares his office's revised state revenue estimates and the impact on Proposition 98. Finally, we discuss what tools the state would have to protect the education community against further funding reductions.