

A PROCLAMATION OF A STATE OF EMERGENCY

WHEREAS, due to continuing weak performance in the California economy and other factors, there is an approximately \$19 billion General Fund deficit for the 2010-11 fiscal year; and

WHEREAS there is no state budget for the 2010-11 fiscal year and a lengthy budget delay is likely; and

WHEREAS the longer it takes to adopt state budget measures to implement needed savings, the more the value of those savings erode, meaning that additional savings will be needed to make up for that lost time and money; and

WHEREAS without a budget in place, the latest cash projections show that California's cash will go into the negative no later than October 2010; and

WHEREAS to ensure that the State meets its payments obligations protected by the California Constitution and federal law, the State Controller has stated that he could be forced to begin issuing registered warrants (IOUs) as early as August 2010; and

WHEREAS the State must start preserving cash beginning in August 2010 to improve the State's ability to meet its obligations to pay for debt service and critical and essential services to protect public health and safety and to make payments protected by the California Constitution and federal law; and

WHEREAS furloughs are necessary to immediately begin saving cash until a budget is in place that includes solutions that will ensure there is sufficient cash for the State to meet its obligations to pay for debt service and critical and essential services to protect public health and safety; and

WHEREAS immediate action to reduce current spending must be taken to ensure, to the maximum extent possible, that the essential services of the State are not jeopardized and the public health and safety is preserved; and

WHEREAS a furlough will reduce current spending and immediately improve the State's ability to meet its obligations to pay for essential services to protect public health and safety and to meet its obligations protected by the California Constitution and federal law in the 2010-11 fiscal year; and

WHEREAS effective August 1, 2010, in order to reduce current spending to ensure that essential services of the State are not jeopardized and the public health and safety is preserved, the Department of Personnel Administration will adopt a furlough plan that will result in the closing of most general government operations on the second, third and fourth Fridays of each month, beginning in August 2010; and

WHEREAS a furlough will reduce current spending and immediately improve the State's ability to meet its obligations to pay for essential services of the State, such as services provided by CAL Fire, hospitals and 24-hour care facilities, so as not to jeopardize its residents' health and safety in the 2010-11 fiscal year; and

WHEREAS it is critical that these types of facilities providing essential services to the people of California remain able to protect the health and safety of the people in California and property in California; and

WHEREAS in order to effectuate the closure of state offices under the furlough plan, which is necessary to immediately reduce current spending so essential services can continue to be provided to the people of California, a temporary suspension of certain laws is necessary to mitigate the conditions of emergency; and

WHEREAS these circumstances, by reason of their magnitude, are or are likely to be beyond the control of the services, personnel, equipment and facilities of any single county, city and county, or city, and require or are likely to require the combined forces of a mutual aid region or regions to combat; and

WHEREAS under the provisions of section 8558(b) of the California Government Code, I find that conditions of extreme peril to the safety of persons and property exist due to these circumstances; and

WHEREAS under a state of emergency, the Special Fund for Economic Uncertainties is available to pay for critical operational costs to mitigate the conditions of emergency.

NOW, THEREFORE, I, ARNOLD SCHWARZENEGGER, Governor of the State of California, in accordance with the authority vested in me by the state Constitution and the California Emergency Services Act, and in particular, section 8625 of the California Government Code, **HEREBY PROCLAIM A STATE OF EMERGENCY** to exist within the State of California.

Pursuant to Government Code section 8571, I hereby suspend the following statutes because strict compliance with the provisions of these statutes will prevent, hinder, or delay the mitigation of the effects of the emergency:

1. Applicable provisions of Government Code section 11020 and any other statutory provisions requiring state offices to be kept open for the transaction of business from 8 a.m. to 5 p.m. of each day from Monday to Friday.
2. Applicable provisions of Government Code section 11022 requiring that incoming telephone calls on any public line be answered within 10 rings during regular business hours.
3. The provisions of the California Administrative Procedures Act as specified in Government Code section 11340 et seq.

These suspensions are limited to the scope and duration of implementing the furlough plan pursuant to Executive Order S-12-10 to mitigate the conditions of emergency.

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 28th day of July, 2010.

ARNOLD SCHWARZENEGGER
Governor of California

ATTEST:

DEBRA BOWEN
Secretary of State