

Brown, top Democrats strike deal on spending plan

By Jessica Calefati, San Jose Mercury News

SACRAMENTO — Gov. Jerry Brown and the Legislature's top Democrats have agreed on a framework for a state budget that makes a generous deposit into a rainy-day savings account and sets aside close to a half-billion dollars for affordable housing, administration sources said Thursday.

Despite a Wall Street slowdown that led Brown last month to release a revised \$122.2 billion general fund budget that had shrunk slightly compared to January, legislative leaders convinced him to increase spending not just for housing, but also for child care and welfare programs.

But Senate President Pro Tem Kevin de León and Assembly Speaker Anthony Rendon weren't the only ones who walked away from the negotiating table happy, the sources said. Brown convinced them to support a \$2 billion rainy-day fund deposit he wanted instead of fighting to spend that money on new programs or services.

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