



# NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

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## **Treasurer Lockyer Comments on Governor's State Spending Plan for Fiscal 2008-09**

SACRAMENTO – State Treasurer Bill Lockyer today issued the following statement on the Governor's proposed State spending plan for fiscal 2008-09:

“The Governor's plan contains some positive features, but doesn't offer a roadmap to the long-term fiscal stability we need to build the future we want for California. To permanently fix our financial house, to ensure we can pay for vital services and the infrastructure we need for our growing state, we have to change not only the way we spend money, but the way we raise money. The Governor's plan is missing that important ingredient. By not yet seriously addressing the revenue side – including the shortfall of federal money due California – the proposal fails to evenly apportion sacrifice to help us get through these tough times.

“The Governor's proposals to help the State build rainy-day reserves and make mid-year corrections when revenues fall short are good ideas in principle. I endorse these concepts. But the key is just how each would be implemented, and neither should unduly harm schools. The Governor's method for achieving 10 percent spending cuts is a good way to start the important dialogue about priorities with the Legislature. My office not only will accept the proposed cuts, but also hopes to take actions that will raise additional revenue for the State.

“I also applaud the proposal to continue making the investments we need to repair and strengthen our infrastructure. But I believe those investments should include bonds to make State buildings more energy efficient, which can save taxpayers hundreds of millions of dollars.”

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