



NEWS RELEASE

CALIFORNIA STATE TREASURER BILL LOCKYER

FOR IMMEDIATE RELEASE
November 25, 2008

Contact: Joe DeAnda
916-653-2995

Treasurer Lockyer Comments on the Legislature's Failure to Enact a Budget Plan

SACRAMENTO – State Treasurer Bill Lockyer today issued the following statement on the Legislature's failure to enact a budget plan:

“Each day that passes without an agreement to balance the budget puts state government tens of millions of dollars deeper in the hole. It appears to my office that the State of California will have enough money to meet the minimum payments constitutionally mandated for our public schools and to pay our bond and note holders, on time and in full, as the constitution requires. There should be no concern about those obligations. It's an entirely different matter, however, for those who depend on life-and-death public safety and health care services, non-mandated education expenditures and our job-producing infrastructure projects. Those services enjoy no constitutional protections, and if they lose funding because the state exhausts its cash reserves, it will profoundly threaten Californians already hit hard by the economic slump.

“Working with the Governor, the Controller and the Legislature, my office will carry out its responsibility to manage the state's financial relationships as best we can to help the state navigate the growing fiscal crisis at a time of unprecedented turmoil in the credit markets. I will also renew my own personal efforts to make sure every legislator understands how much lasting damage will be done to California if we continue to fail in our responsibility to bring our revenues and spending into balance.

“We have a duty to meet the public service needs of 37 million Californians. Fulfilling that obligation should supersede pledges to or the demands of any interest group that would ask us to place their priorities above those of all the people.”

###