



CALIFORNIA STATE TREASURER JOHN CHIANG

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Treasurer Chiang Comments on Budget Proposal

SACRAMENTO – State Treasurer John Chiang issued the following statement on the FY 2015-16 State Budget proposal released today by the Governor:

“California’s prospects for sustained prosperity will depend on its ability to shed the massive debt and unfunded liabilities that were irresponsibly left unattended in the past. This budget proposal, like Governor Brown’s four previous, stays the course by deleveraging the borrowing and accounting gimmicks upon which the State over-relied during the Great Recession.

“Importantly, the Governor has also rung the opening bell on what I hope will be a robust debate on how to pay for retiree health benefits in a manner that preserves quality of care but also minimizes costs for taxpayers and the civic workforce who serves them. If left unaddressed, this \$72 billion unfunded liability will sow the seeds of future budgetary distress and impair our ability to finance the infrastructure improvements that California desperately needs.”

Treasurer Chiang has long warned of the growing unfunded liability related to healthcare for State retirees. To learn more, see his [column](#) in last week’s Sacramento Bee or his [December 2014 report](#) which identified the \$72 billion liability.

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