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**Cal-Tax: Borrowing is poor substitute for financial management**

Larry McCarthy, president of the California Taxpayers' Association, issued the following statement today in reaction to the revised state budget proposal:

"Instead of addressing the budget crisis directly, Sacramento seems determined to continue to take on massive debt and use gimmicks that shift the problem to the future and create taxpayer liabilities that grow geometrically. This spend-now, pay-later behavior has converted modest revenue shortfalls in recent years into a crisis.

"Borrowing and gimmicks that defer spending obligations are no substitute for financial management."

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