



**For Immediate Release**

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**CAL-TAX: GOV. SCHWARZENEGGER'S BUDGET SIGNALS END TO STATE'S FISCAL NIGHTMARE**

Larry McCarthy, president of the California Taxpayers' Association, issued the following statement upon the release of the governor's proposed 2004-05 California budget:

"Governor Schwarzenegger's budget is another signal for taxpayers that California's long fiscal nightmare is ending. This budget says that tax increases are not going to be the line of least resistance this time to deal with a budget crisis that was produced by financial mismanagement. There are no tax increases here.

"This budget also establishes a strategy to challenge waste and mismanagement in California's budget through an all-out 'Performance Review Process.' The promise that waste, ineffective spending and fraud will not continue to absorb hard-earned taxpayer dollars is indeed great news for California. The governor is to be complimented for this budget as a critical piece in his overall Economic Recovery Plan.

"Based on this budget, taxpayers should be even more confident in voting for Proposition 57, the Economic Recovery Bond, and Proposition 58, the balanced budget amendment, on the March ballot."