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California Taxpayers' Association President Teresa Casazza Responds to the May Revision

SACRAMENTO – California Taxpayers' Association President Teresa Casazza issued the following statement today regarding Governor Arnold Schwarzenegger's revised budget proposal:

"We take no pleasure in today's May Revise. No one who lives and does business in California should. What we must take away from today is a sense that California's budget structure must be addressed with the same urgency as education, health care and the environment.

"We commend the governor's thoughtful approach to the \$24.3 billion deficit and his commitment to fixing the broken budget process that is crippling California's economy.

"We support the governor's work toward getting the state's fiscal house in order without increasing the burden on California's taxpayers, who already are struggling to pay their bills in these tough economic times. The governor wisely rejected the tax increases on homeowners, seniors and struggling businesses, suggested by the legislative analyst and others.

"An economic rebound in the private sector is the key to increasing state revenue. The governor's plan to increase state revenue by making voter-approved changes to the Lottery deserves an honest review in the Legislature, as it could help balance the budget without new taxes.

"Budget reform also remains vital. We need to change the system that led to the chronic structural budget deficits, so it doesn't happen again. If we don't create a rainy day fund to establish a cushion in tough economic times, many problems will remain even when the economy rebounds."