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PR09:011
For Immediate Release:
2/19/2009

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Chiang Comments on Budget Agreement

SACRAMENTO – State Controller John Chiang today issued the following statement on the Legislature's approval of a new budget to address the State's \$41 billion budget deficit:

"It took the Governor and Legislature three months to agree on a solution to California's budget problems and left us today without enough cash in the State's bank account to pay all of our bills, paralyzed public works projects and made California the worst credit-rated state in the nation.

"Today's budget agreement is a long overdue step that does not immediately fill our treasury that has run dry. Because I have been forced by this situation to delay paying \$3.3 billion this month to local governments, state contractors and even taxpayers themselves, the State still owes them the gratitude for their patience and for shouldering the real burden of gridlock.

"The Department of Finance has promised to provide us within a week with the data we will need to update our cash flow analyses and determine how to manage the State's payments through the end of the fiscal year. Once this budget plan provides the needed cash in the treasury, my office will work around the clock to get delayed payments out the door."

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