STATE OF CALIFORNIA

GOVERNOR'S BUDGET

MAY REVISION

2004-05

Arnold Schwarzenegger, Governor
State of California

Solving the Crisis

- ✓ Deal with inherited debt
- ✓ End deficit spending
- ✓ Restore California's business climate
- ✓ Budget moving to structural balance

Solving the Crisis

- Revenues up by more than $1 billion
- Strong demand for recovery bonds
- Private sector investing in California

Solving the Crisis

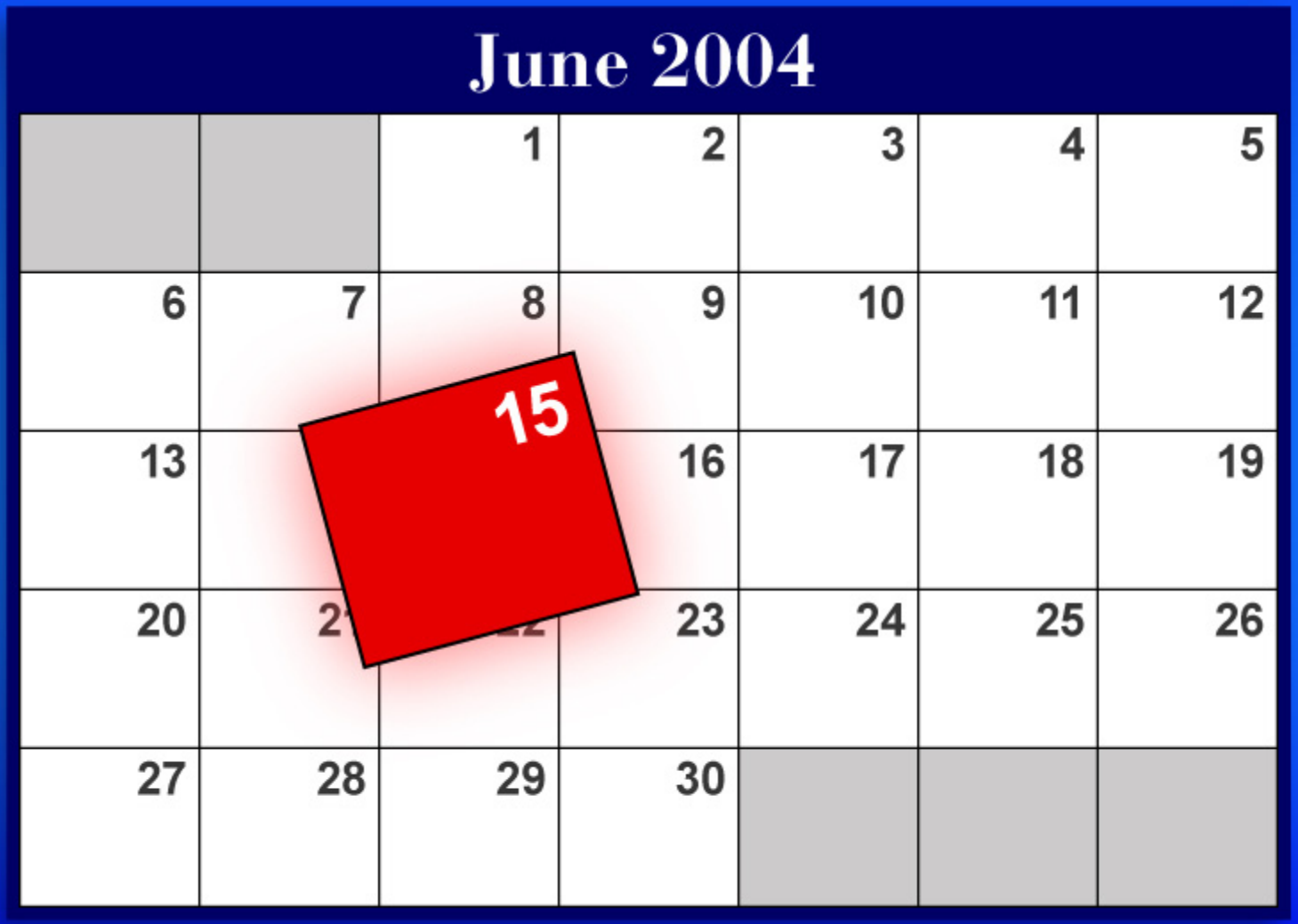
- Balances the Budget
- Provides funding for essential services
- Increases K–12 per-pupil spending
- Reflects local government agreement

Solving the Crisis

- Compact with Higher Education
- One-time revenues for transportation
- Renegotiate public employee contracts
- **Does not raise taxes**

STATE OF CALIFORNIA

Solving the Crisis



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