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Senator Dianne Feinstein

of California

Senator Feinstein Joins Governor Schwarzenegger and State Controller Westly To Support Propositions 57 and 58 February 19, 2004

Santa Monica, CA – U.S. Senator Dianne Feinstein today joined Governor Arnold Schwarzenegger and Controller Steve Westly at a news conference to encourage Californians to vote yes on Propositions 57 and 58 when they head to the polls on March 2.

“These two propositions, taken together, will help California’s economic recovery, keep businesses and jobs from fleeing our State and avoid devastating cuts to public safety, education and other critical programs,” Feinstein stated.

Proposition 57 provides for a one-time \$15 billion Economic Recovery Bond to pay off the accumulated General Fund deficit. Proposition 58 would require enactment – not just the submission – of a balanced budget and establish a “rainy day” reserve fund to prevent future crises from occurring. Furthermore, it would prevent any similar bond measures from being enacted to pay off State operating deficits. Both measures must be passed in order to take effect.

By the end of June, California will face a major cash liquidity crisis that could cause substantially damage. Propositions 57 and 58 will help the State avert the liquidity crisis and prevent a similar crisis from developing in the future.

“I’ve spoken with members of the State Department of Finance and outside financial experts. Based on what I’ve learned, I am convinced that the only remedy at hand is to vote yes on Propositions 57 and 58,” added Feinstein.

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