

Lack of stimulus money compounds state budget woes

By Kevin Yamamura, Sacramento Bee

Facing a dismal budget crisis last year, California relied on a federal lifeline of stimulus dollars. The cash infusion staved off the bleakest of cuts to Medi-Cal patients, welfare recipients and students.

But that money is beginning to run dry, leaving California grappling with whether to replace it by raising taxes or institute the severe cuts the state avoided last year.

The state already has exhausted some pots of stimulus money, such as one for higher education. Others will expire in the next year.

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