

Opinion: California's budget saga

By Dan Walters, Sacramento Bee

Although the state budget is finally balanced after years of deficits, polls tell us that most Californians are still concerned about the state's fiscal stability.

Their concern is well-placed.



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A temporary tax increase, mostly on the wealthy, and a recovering economy have provided the wherewithal to cover the state's current obligations.

Gov. Jerry Brown, who championed the tax hike, has also restrained the ambitions of his fellow Democrats to spend more money and persuaded voters to create a rainy-day fund as a partial hedge against future downturns.

Nevertheless, the budget is "precariously balanced," Brown reminds us, and is dangerously dependent on how wealthy taxpayers' investments are faring – a peril echoed in a new Standard & Poor's report on California last week.

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