

# Calif. worrying about next recession

By Chris Megerian, Los Angeles Times

Even as California's leaders prepare a new state budget that is flush with cash, Gov. Jerry Brown has increasingly raised the specter of another recession that could undo years of hard-won financial progress.

When he released his latest spending proposal last month, he said a downturn was "around the corner." In a speech to business leaders, he said the question was "not if, when." And he told county government officials that even a moderate downturn could cost the state \$40 billion in revenue over three years.

The governor's warnings may seem overwrought, given that economists see no sign of trouble on the horizon. And state revenue has routinely exceeded even the most bullish projections in recent years.

But the question is whether California has done enough to guard against another budget crisis, and experts say that the answer is a resounding no.

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