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Controller Comments on Dismissal Of Minimum Wage Case

SACRAMENTO – State Controller John Chiang today commented on Governor Brown’s agreement to dismiss the minimum wage lawsuit that was filed in August 2008 against the Controller by former Governor Arnold Schwarzenegger’s administration.

“The Department of Personnel Administration’s pay letter ordering my office to temporarily pay state employees the federal minimum wage would not have saved the State one penny. But it would have exposed California taxpayers to potentially billions of dollar in damages, plunged thousands of families into financial hardship and further slowed an already struggling economy.

“The Department of Personnel Administration’s own experts agreed with ours that the current system, which will be replaced in the next 20 months, could not accommodate the salary changes without significant modifications and costs.

“I am pleased and thankful that Governor Brown saw this litigation as a frivolous waste of hard-earned tax dollars that should be dedicated to fixing our schools, protecting our communities and rebuilding our infrastructure.”

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