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Westly Outlines Consequences of No Budget

\$770 Million in July Payments for Schools, Colleges, Businesses in Jeopardy

SACRAMENTO – Controller Steve Westly today warned that a budget impasse lasting through July would force California to withhold an estimated \$770 million in payments for community colleges, vendors and schools. If the budget isn't signed by September, nearly \$7 billion in bills cannot be paid.

“The longer we go without a budget, the more pain will be felt around the state – in our schools, colleges and businesses,” Westly said.

If there is no budget in place, Westly said a number of payments would be on hold in July, including:

- \$177 million for K-12 school districts, including special, adult and remedial education programs
- \$233 million for California's 109 community colleges
- \$191 million for vendor payments, including businesses that provide services to the State

In August, an estimated \$2.6 billion in payments will not be made. In September, an additional \$3.6 billion will be withheld.

Even without a budget, Westly said he will continue to keep vital services intact, including payroll for state employees, basic funding for school districts, and health and welfare programs required by federal law.

[Charts of payments that will be withheld for July through September](#)

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