



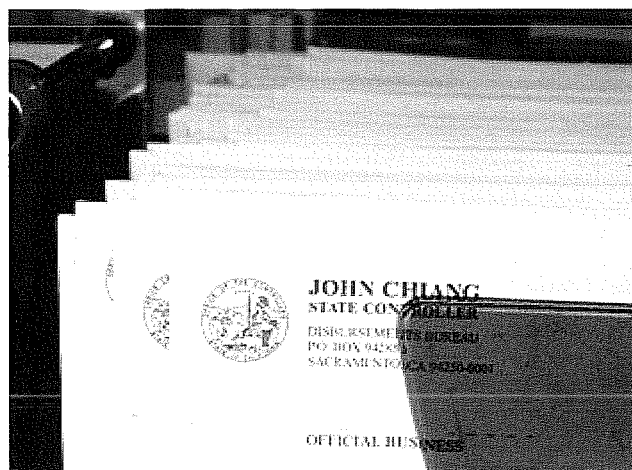
Controller *John Chiang*

California State Controller's Office

What the State Controller Can and Cannot Pay Without an Enacted Budget (Updated to Include September Payment Estimates)

As the State of California's chief fiscal officer, I have created these new Web pages to outline what bills my office can and cannot pay until a State budget is enacted for the 2008-09 fiscal year, which began July 1. *Please be assured that I will continue to do everything within my authority to continue to provide payments for essential services.* For example, my office has continued to make the following payments:

- Federally-mandated services such as Supplemental Security Income/State Supplementary Payment (SSI/SSP), and In-Home Support Services.
- Debt service and other payments required by the State Constitution.
- Payroll for state employees covered by the Federal Fair Labor Standards Act.
- Vendor payments for services provided in the last fiscal year.
- Expenses with ongoing appropriations from the Legislature, including Medi-Cal, CalWORKS, income tax refunds and payments on claims for unclaimed property.



However, a number of constitutional and legal restrictions prevent me from making certain other types of payments without an enacted budget. For example, my office cannot pay:

- School districts for categorical programs such as special education and remedial summer school, community colleges, local governments and other entities not included in the above parameters.
- Vendors for services provided after July 1.
- Salaries and per diem of state elected officials and their appointed staff.

As currently estimated, my office will be prohibited from making at least \$7,666,672,000 in payments in major budget categories during the month of September 2008 if no budget is enacted. This is in addition to at least \$3,030,767,000 in payments in major budget categories that our office has been unable to make for the month of August, and at least \$1,247,846,000 in payments in major budget categories that our office has been unable to make for the month of July. I invite you to view more details of these major categories, and the range of funds involved, as shown in the links and tables below. *We can avoid or reduce additional financial pressure on our schools, community colleges and private businesses that provide state services if a budget is enacted soon.* Please note the estimated figures on this page will be updated as new information becomes available, or if it becomes necessary to include data for October or later months. Estimates are based upon figures in the Governor's May Budget Revision, Pooled Money Investment Board payment schedules, prior year expenditures, the Governor's budget and proposed budget legislation.

[September 2008 estimated payments](#)

[August 2008 estimated payments](#)

[July 2008 estimated payments](#)

ESTIMATED PAYMENTS FOR SEPTEMBER 2008 UNDER A "NO BUDGET" SITUATION

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- [State Employees' Pay and Benefits \(including UC and CSU\)](#)
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Education
Month of September Estimates with No Budget
(Amounts in Thousands)

Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
UC (Non-Payroll Expenses)	\$15,567	\$62,267	Various
Community College Payments - September 2008	--	\$464,625	September 26
K-12 Monthly Apportionment - September 2008 (Revenue Limit Funding)	\$3,281,600	--	September 26
K-12 Monthly Apportionment - September 2008 (Annual Education Appropriation)		\$1,147,907	September 26
Nutrition	--	\$6	Various
Child Development	\$277,547	--	Various

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State Employees' Pay and Benefits (including UC and CSU)
Month of September Estimates with No Budget
(Amounts in Thousands)

Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
Civil Service Staff (employees and managers)	\$2,723,773	--	September 1 / Daily
Appointees and Other Exempt Employees	--	\$4,304	September 1 / Daily
Legislative Employees	--	\$14,700	Every two weeks
Legislators	--	\$1,137	September 1 / Daily
Statewide Elected Officials	--	\$95	September 1 / Daily

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Trial Courts
Month of September Estimates with No Budget
(Amounts in Thousands)

Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date

Pay and Benefits (Including Judges)	\$316,800	--	September 15
Non-Payroll Expenses	--	\$45,732	Daily

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Debt Service			
Month of September Estimates with No Budget			
(Amounts in Thousands)			
Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
Debt Service	\$1,092,600	--	Various

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Medi-Cal			
Month of September Estimates with No Budget			
(Amounts in Thousands)			
Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
Non-Institutional Providers (Including AIDS Drug Assistance Program)	\$1,584,541	--	Various
Institutional Providers	--	\$3,075,873	Various

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Social Services			
Month of September Estimates with No Budget			
(Amounts in Thousands)			
Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
Cal-Works	\$3,822,932	--	Various
In-Home Supportive Services (IHSS)	\$294,046	--	September 15
Foster Family Home & Small Family Home Insurance Fund	--	\$271	September 29
Other Social Services Programs	--	\$874,191	September 15
Developmental Services - Regional Centers	--	\$558,070	Various
State Payment for SSI / SSP	\$172,672	--	September 30
Mental Health	--	\$709,344	Daily
Healthy Families	\$110,200	--	Various

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Local Government
Month of September Estimates with No Budget
(Amounts in Thousands)

Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
Vehicle License Fee	\$18,800	--	September 10
Public Safety Sales Tax	\$221,200	--	September 26
Sales Tax	\$938,200	--	September 26
Health and Welfare Realignment	\$356,200	--	September 26
CalWorks Administration	\$90	--	September 15
Highway User Tax	\$446,800	--	September 30
Local Agency Investment Fund (LAIF) Withdrawals	\$2,205,180	--	Daily

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Payments to Vendors
Month of September Estimates with No Budget
(Amounts in Thousands)

Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
Transportation Revolving Fund (Transportation Expenditures)	\$439,250	\$150,150	Daily
Electric Power Fund	\$456,000	--	Daily
Lottery Vendors	\$287,700	--	Daily
Other Miscellaneous	\$120,000	\$487,000	Daily

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Retirees
Month of September Estimates with No Budget
(Amounts in Thousands)

Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
Benefits	\$1,381,235	--	September 1

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Payments to Individuals
Month of September Estimates with No Budget
(Amounts in Thousands)

Category	Can Be Paid	Cannot Be Paid	Scheduled Payment Date
Unemployment and Disability Insurance	\$419,000	--	Daily
Lottery Winners	\$134,600	--	Daily
Income Tax Refunds	\$229,000	--	Daily

Cal-Grants	--	\$71,000	Various
Unclaimed Property Claims	\$18,000	--	Various
Workers Compensation	\$429,400	--	Various

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