

News Release



FOR IMMEDIATE RELEASE
JUNE 26, 2009

CONTACT: Janice Taylor
323.295.9372 x 221 • Janice@chc-inc.org

It's Time for GOP Lawmakers to Act Responsibly *Everyone Must Share the Pain for a Budget Resolution*

Los Angeles, CA—Community Health Councils released the following statement today in response to the budget stalemate:

“Republican legislators can’t continue to hold California’s state budget hostage. We are calling upon all our legislators to be fiscally responsible and maintain programs that will help children and families weather the State’s worst recession in its history. The State can keep billions of dollars circulating through California’s economy by raising revenue and taking full advantage of federal stimulus dollars.

With nearly one million children facing the loss of healthcare coverage in California, it’s time for Republican legislators to put aside their no-tax rhetoric. One revenue raising option is an Oil Severance Tax, which could raise nearly \$1 billion. California is the only oil-producing state that does not tax oil that is owned, leased, or extracted from private lands in this state. In other states, the tax ranges from 2% to 15%. Republicans say oil companies will flee California if the state imposes an oil tax, but how can they pick up the oil fields and leave?

The Governor has proposed eliminating the Healthy Families Program, which provides affordable health coverage to children in families earning less than \$46,000 for a family of three. Eliminating Healthy Families would make California the only state in the country not to have a Children’s Health Insurance Program for low-income children. With a \$2 for \$1 match from the federal government for every dollar the state spends, this is another example of irresponsible policy. This is especially true given that the cut could be avoided by repealing the more than \$420 million in corporate tax breaks adopted by the legislature in the heat of the budget meltdown. If the choice is between healthcare coverage for millions of children and closing tax loopholes, Californians would expect the legislature to choose kids.

Fifty-seven percent of Californian voters have said that it is more important to prevent deep cuts to education and healthcare than it is to prevent all tax increases. Cuts to Healthy Families and Medi-Cal would hurt low-income children and families first, but will impact everyone through dollars that disappear from the economy, higher unemployment, and greater emergency room use. The elimination of healthcare coverage will cause a host of preventable illnesses to turn into critical conditions that require expensive emergency care. And the State will be forced to eventually foot the bill.”

Community Health Councils is a non-profit, community-based health promotion, advocacy and policy organization. Established in 1992, CHC’s mission is to improve health and increase access to quality healthcare for uninsured, economically-disadvantaged, and underserved populations.

###