

Late last Friday, Governor Schwarzenegger signed Executive Order S-03-09 to extend the time for the bipartisan Commission on the 21st Century Economy to suggest changes to California's out-of-date revenue laws to July 31, 2009. We agree with the commission that in order to be able to recommend meaningful, long-term solutions that will reduce volatility and promote lasting economic prosperity for our state, Commission members first need to see the full picture of our state's tax situation, which is partially dependent on the results of the May 19 special election. The extension is necessary for the commission to be able to recommend constructive ways to restructure and modernize our tax system. Governor Schwarzenegger has also talked about recommendations that would be "tax neutral," and without knowing the results of the special election, it is not possible to know what "tax neutral" means. The Governor and the legislature created the commission to come up with reforms that will result in a revenue stream that is more stable and reflective of our economy.