Gov. Jerry Brown's campaign for Proposition 30, his sales and income tax increase, more or less promised voters that it would solve the state's chronic budget problems. It was a somewhat specious contention, although apparently an effective one, since voters did pass the measure.

Scarcely a week later, though, we were told by the Legislature's budget analyst, Mac Taylor, that there's still a deficit in the current fiscal year's budget, albeit a relatively small one. He added that despite the billions in new revenue from Proposition 30, the budget will be "pretty restrained" for at least the next couple of years. After that, Taylor said in an annual fiscal appraisal called "California's Fiscal Outlook," the state could see a rosier budget picture, including potential surpluses that would give politicians "more choices."

But that brighter future, he quickly added, is based on certain assumptions, such as the state's economy recovering briskly and, most importantly, Brown and legislators resisting pressures to ramp up spending on programs and services that have been reduced in recent years. That pressure will be difficult to resist, since interest groups that backed Proposition 30, and helped Democrats strengthen legislative control, are the ones bringing it to bear.

Brown has said he wants to permanently reduce the state's baseline budget. And Proposition 30's taxes would finance that markedly lower level of general fund spending, about $90 billion to $95 billion a year currently. But that's many billions, perhaps as much as $25 billion, short of what the budget would have been had recession not clobbered state revenue. The budget's stakeholders want to get back up to that level, or even higher, and that might be possible later in the decade as Proposition 30's new taxes interact with an improving economy, assuming it picks up steam.

However, another factor also comes into play. The state has about $35 billion in what Brown has called a "wall of debt" from years of deficit spending – money owed to schools, to bankers and to special state funds. Those debts would, if repaid, eat up most of Proposition 30's projected – and temporary – revenue.

Moreover, the California State Teachers' Retirement System is clamoring for billions of dollars to shore up its battered trust fund, the state has a big unfunded liability for retiree health care, it must pay several billion dollars a year to cover health care for the poor after Obamacare
subsidies disappear, and schools will automatically consume a substantial portion of the new money.

Viewed in that context, Proposition 30's proceeds are already spoken for – unless, of course, Brown, et al., cave in to the spending demands and set the stage for more deficits and debts in the future, or try to seek another tax increase.