Center *for* Public Policy Priorities

Statement

For Immediate Release: May 18, 2011 **Contact: F. Scott McCown, mccown@cppp.org**

STATEMENT ON FISCAL MATTERS AND REVENUE ESTIMATE

(AUSTIN, Texas) — The Center for Public Policy Priorities released the following statement today regarding the House taking up fiscal matter bills and the comptroller's revised revenue estimate.

"Today the House takes up fiscal matter bills that will determine whether the Legislature can write a budget in the 12 days remaining in the session. The House should encourage its budget conferees to accept the Senate budget, and the House should make the money available to do so through the fiscal matters bills.

"While the Comptroller's new revenue estimate makes $1.2 billion more available, the conference committee needs that money plus everything in the fiscal matters bills to fund the Senate budget, allowing the Legislature to minimize damaging cuts to public education, higher education, and health and human services.

"Realistically the Senate budget is a big victory for budget cutters. The Senate budget fails to take into account more people and higher costs, providing only 85 percent of the current level of services. In a state that is already near the bottom in spending per resident, the Senate budget for 2012-13 would reduce General Revenue spending for state services by 7 percent compared to 2010-2011. The House should not force even deeper cuts by refusing to approve revenue.

"Refusing to approve revenue, for example, would require funding public education at the far lower House amount. As the runs for the Hochberg School Finance bill illustrate, the consequences back home would be devastating to schools at the House funding levels.

"At the end of the day, if the House remains short of revenue to fund the Senate budget, we again call on the House to use more of the Economic Stabilization Fund. The Comptroller's new revenue estimate forecasts another $300 million available for appropriation, and knowledgeable experts suggests that the fund may grow even more. We urge the House to be open to using the Rainy Day Fund to close a budget deal."

— 30 —