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CPPP STATEMENT ON HOUSE'S PROPOSED STATE BUDGET

Refusing to use the Rainy Day Fund for 2012-13 is unconscionable

(AUSTIN, Texas)—Center for Public Policy Priorities Executive Director F. Scott McCown made the following statement in response to the House passing House Bill 1, its proposed state budget for 2012-13.

“The House chose a cuts-only approach to our state’s \$27 billion revenue crisis when Texans want a balanced approach that protects our priorities, including protecting today’s jobs and preparing our children for tomorrow’s jobs.

“Because the House budget reduces state spending so deeply, by 2013 Texas will have 335,000 fewer jobs (close to half in the private sector) and \$17.2 billion less personal income, according to the [Legislative Budget Board](#). The House budget also makes damaging cuts to public education, higher education, and critical health and human services such as nursing homes.

“Writing the state budget is a process, and today’s vote is merely one step in the process. But the final budget won’t be any better unless Texans speak up and demand a balanced approach that uses the Rainy Day Fund and adds new revenue, for example, by eliminating unwarranted tax exemptions and increasing the cigarette tax.

“Texans created the Rainy Day Fund to protect us from the very sort of economic damage that the House budget would cause. While the House proposes to spend \$3.1 billion of the fund to close the 2011 deficit, the House refused to use any of the remaining \$6.3 billion available for appropriation to fund 2012-13.

“Refusing to use the Rainy Day Fund for 2012-13 is unconscionable. If the House has its way, we will be left with a huge Rainy Day Fund, but unemployment will go up, education will be wrecked, and nursing homes will be closed. We should use the Rainy Day Fund for 2012-13 just like we did in 2003 for 2004-05.

“Nothing about what the House proposes to do is courageous or a necessary tough choice. Instead, the House put the Rainy Day Fund off limits and refused to consider new revenue, forcing a series of irresponsible choices.

“We invite Texans to join us on April 6 at the Capitol to make our voices heard at the Save Our State Rally!”

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For more information about the Save Our State Rally, go to www.txforward.org.

The Center for Public Policy Priorities (CPPPP) is a non-profit, non-partisan policy institute committed to improving public policies to better the economic and social conditions of low- and moderate-income Texans. We pursue this mission to achieve our vision for a BETTER TEXAS. You can learn more about CPPPP at www.cphp.org.