



STATE REPRESENTATIVE
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For Immediate Release
January 18, 2012

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Walker's Administration states his budget is not balanced
*The governor's administration certifies that the budget has a deficit in order to
kick up to 53,000 people off health care*

MADISON—Contradicting repeated claims by Gov. Walker that he has balanced the state budget, his administration told federal health officials late last month in writing that Wisconsin has a budget deficit so it could drop health care for Wisconsin families. That's according to documents released today by Rep. Jon Richards (D-Milwaukee).

On Dec. 29, Walker administration secretary Mike Huebsch sent a letter to federal health secretary Kathleen Sebelius certifying that Wisconsin will have a budget deficit through June 30, 2013. By certifying that its budget isn't balanced, the Walker administration can now dodge a federal law requiring it to continue providing health care for up to 53,000 residents. The Walker Administration letter contrasts starkly with public comments by Walker, who has claimed repeatedly since June that his budget is balanced.

"It is troubling that the Walker administration uses one set of math for its press releases and another set of math to justify dropping health care for Wisconsin families," said Rep. Richards. "His past promises are coming back to haunt him and he cannot have it both ways. He needs to stop hurting working families, while giving away \$2.3 billion for special interests."

Huebsch's letter said the deficit was based on Generally Accepted Accounting Principles (GAAP), a budgeting method the state currently does not use to balance its books, but Scott Walker promised to use as a candidate for governor. Using this method, Walker's budget would have a \$3 billion deficit by June 30, 2013, according to administration budget documents. In contrast, the non-partisan Legislative Fiscal Bureau says Walker's budget is balanced based on the accounting principles the state uses for budget purposes, as is required by state law.

Walker's inconsistency on what constitutes a balanced budget is not new. As a candidate for governor in 2010, Walker pledged to balance every budget state budget using GAAP—a promise he broke. Likewise, in his failed bid for governor in 2006, Walker called then-Gov. Jim Doyle a "world champion liar" for saying his budget was balanced, when by GAAP standards it was not.

Attached is a LFB memo to Rep. Richards discussing Huebsch's letter.

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