

PRESS RELEASE

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Assembly Passage of Budget Repair Bill - SHAMEFUL Nass: Will ask Governor to veto entire bill and call another special session.

State Representative Steve Nass (R-Whitewater) voted against the Budget Repair Bill negotiated by Speaker Mike Huebsch and Senate Majority Leader Russ Decker. Rep. Nass also announced that he will be requesting that the Governor veto the bill in its entirety.

“This so-called fix is nothing more than legislators covering their back-ends and trying to get through the next election. Today’s vote proves that members of both parties lack the courage to address the state’s fiscal crisis,” Nass said.

Nass cited the following flaws in the budget repair bill:

- 1.) It increases the state’s current structural deficit from about \$900 million to \$1.7 billion.
- 2.) Unwisely refinances the Tobacco Securitization Funds to gain \$209 million today, but leaves the taxpayers to pay higher interest costs long term.
- 3.) Delays an additional \$125 million in school aid payments each year. This will force some school districts to utilize short term borrowing and incur interest costs.
- 4.) Contains no real cuts in state government spending, while increasing state spending by \$19 million.
- 5.) Uses the entire \$57 million Rainy Day Fund with 13 months left in the biennial budget period.
- 6.) Reduces the statutory balance (state’s saving account) by \$40 million and leaves only \$25 million for fiscal issues that might arise over the next 13 months.
- 7.) Increases state income taxes on businesses by eliminating the REIT deduction; increases taxes on businesses by at least \$15 million annually.
- 8.) Fails to provide state necessary cash-flow to meet ongoing expenditures over the next 13 months.

“The Governor needs to be a true leader by vetoing the entire bill and forcing another special session to approve real cuts in government spending. Today’s action leaves the State of Wisconsin facing a fiscal disaster that will be dumped on taxpayers next year after the election,” Nass said.

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