



## **Conservatives Issue Roadmap for a Responsible State Budget** ***Fiscal Restraint Key to Economic Recovery***

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Contact: Brent Connett, 512-474-1798

AUSTIN, TX – As Congressional spending in the name of economic stimulus nears a total of over \$1.5 trillion, conservative state legislators reaffirmed their commitment to fiscal restraint and responsible budgeting to help keep Texas from falling into fiscal disrepair like most of the rest of the nation.

State Rep Wayne Christian said “It is no accident that Texas is one of only 7 states to enter 2009 without a budget gap. Fiscal responsibility has served our state well, and we must carefully prioritize spending to protect taxpayers in these tough economic times.” Rep. Christian continued, “California is a financial graveyard. We must learn from the catastrophic mistakes unfolding on the West Coast. The best path forward is to limit spending by crafting a responsible budget.”

In a letter to their colleagues, the Board of Directors of the Texas Conservative Coalition (the conservative caucus of the Texas Legislature) declared five key action items to keep the state financially sound well into the future:

- 1. Reduce General Revenue and General-Revenue dedicated spending by 2.5 percent for the 2010-2011 budget, as recommended by the Lieutenant Governor and the Speaker.**
- 2. Maintain a Rainy Day Fund balance of at least five percent.**
- 3. Limit the scope of emergency appropriations to maintain the strength of the Rainy Day Fund.**
- 4. To the extent possible, limit the use of federal “stimulus” funds to one-time expenditures, or expenditures with a sunset date that matches the end-date of the “stimulus” money.**
- 5. Pass a stronger state spending limitation.**

The letter from the TCC Board of Directors reads, in part:

“Texas must continue to chart a smarter way to avoid the dangers of uncontrolled spending that are ruining the finances of so many other states [particularly California]. In short, we believe sound fiscal policy is a key to economic growth.”

Representative Linda Harper-Brown (R-Irving), TCC Vice-President noted: “The economic impact of the first multi-billion bailout is imperceptible, and now Congress and the President are unleashing a new

level of deficit spending that will take years, if not decades, to repay.” Rep. Harper-Brown added: “Texas must not fall prey to the false and misleading idea that government spending will lead us to prosperity. It never has and never will.” Rep. Harper-Brown concluded: “Texans will be paying well into the future for the unprecedented spending coming out Washington today. We can limit the financial burdens felt by future generations of Texans by employing fiscal restraint in our state budget.”

State Representative Ken Paxton (R-McKinney), TCC Treasurer/Secretary, added "The best economic policy is to limit taxes and spending." Rep. Paxton continued: "Allowing individuals, families and businesses to keep more of what they earn is the single best means to keeping Texas' economy healthy."

Rep. Christian concluded: “The strength of the Texas economy lies not in our government, but in our workers, business owners, and families. Our spending and taxes must be limited so that the roots of our economy are free to grow and create jobs.”

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