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Texas Conservative Coalition Urges Responsible Hurricane Recovery Spending

AUSTIN, TEXAS— *the following statement may be attributed to Wayne Christian, President of the Texas Conservative Coalition, regarding the funding mechanism of House Bill 6, the hurricane recovery bill:*

“Texas coastal communities need help to continue to rebuild and revitalize in the aftermath of a devastating 2008 hurricane season.

“House Bill 6 will direct much-needed funds to areas ravaged by Hurricane Ike, but those funds must not come from the Economic Stabilization Fund. The Texas Constitution is clear: the purpose of the Economic Stabilization Fund – misleadingly known as the “Rainy Day Fund” – is to alleviate cash deficiencies in the state budget. No deficiency exists today, especially with the unprecedented influx of federal stimulus dollars.

“The Comptroller has stated that the current economic downturn will impact the 2011 budgeting process much more than the budget we are currently writing. We must heed the warning that the state revenue picture will worsen before the next biennium. It is imperative to leave the Economic Stabilization Fund fully funded to address *future* projected budget shortfalls.

“Hurricane recovery must be financed, but not by dipping into the state’s savings account. Other revenue sources should be used to pay for one-time appropriations for the one-time needs arising from the 2008 natural disasters.”

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