

## House Republican Press Release

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### **Rep. Hamzy: More Spending Relief Needed in Weeks Ahead to eliminate State Deficit; Avoid Tax Hikes**



More state spending reductions will have to be put in place in the weeks and months ahead to eliminate the projected deficit for the current fiscal year and to address even larger budget shortfalls expected over the next two years, state Representative William A. Hamzy said today.

Governor M. Jodi Rell's fiscal advisors are forecasting potential deficits of \$2.6 billion for the fiscal year ending in June 2010 and \$3.3 billion in 2011.

Representative Hamzy and other House Republican legislators voted during the November 24<sup>th</sup> special legislative session for measures expected to reduce the 2008-09 deficit by \$72 million, leaving lawmakers with a balance of \$302 million that still needs to be addressed.

Representative Hamzy also introduced and voted for several Republican proposals to reduce state spending by almost \$100 million to help address the projected deficit for the current fiscal year and for other proposals to postpone the implementation of new state mandates that will force municipalities like Bristol and Plymouth to spend more – which could increase the property tax burden on local taxpayers.

Representative Hamzy noted that Bristol Mayor Art Ward and Bristol Schools Supt. Philip A. Streifer had requested that he offer the mandate relief measures. One of the proposals would have delayed the implementation of a state mandate requiring students to serve their suspensions in school rather than out of school until July 1, 2012. The requirement is scheduled to take effect July 1, 2009 and could cost municipalities throughout the state millions over the next two years.

The other GOP proposals would have postponed until July 1, 2012 the implementation of other state mandates requiring municipalities to post minutes of meetings of local boards and commissions as well as meeting schedules for those agencies on town or city web sites.

The Republican proposals were defeated on party line votes, with the majority Democrats voting to reject the measures and Republican legislators voting to support them.

“We still have our work cut out for us,” said Representative Hamzy, R-78<sup>th</sup> District. “The measures that passed dealt with less than half of the projected deficit. We still will have to make larger and more significant budget reductions in the weeks and months ahead - and the public needs to be aware of that. My Republican colleagues and I will

continue to develop proposals to eliminate the deficit through prudent spending reductions rather than tax increases.”

“The state is facing ballooning deficits because revenues are drying up and because the majority Democrats refused to consider the proposals we offered last spring to deal with the looming budget crisis,” Representative Hamzy said. “On Monday, the Democrats once again rejected our proposals. Their refusal to consider reasonable spending reductions now, and probably in the near future as well, virtually guarantees they will turn to tax increases to address the deficit. Raising taxes during the current economic downturn will only worsen and prolong it.”

The House Republican deficit reduction measures that were rejected included:

- Restoring more than \$30 million worth of spending cuts and adding new revenues opposed by Democrat legislators such as giving a portion of the five cent bottle and can tax to the state.

- Combining numerous agencies within the Capitol into one to save millions.

- Reducing by half the taxpayer funding for state political campaigns to save \$8 million.

- Offering state workers early retirement to save \$130 million in the next fiscal year.