

## **Pa. needs responsible budget to end fiscal crisis**

Government spending has increased beyond inflation and beyond taxpayers' ability to pay. *Citizens to Protect PA Jobs* is telling lawmakers that it's time for Pennsylvania to get its fiscal house in order, and the 2011-12 state budget is the perfect place to start.

In March, Gov. Tom Corbett announced his \$27.3 billion proposal, which would take state spending back to pre-recession 2008 levels in an effort to put the state back on more solid ground financially and economically.

The governor's budget follows through on his promise to Pennsylvania voters that he would take a realistic look at the Commonwealth's fiscal challenges, reduce spending and NOT raise taxes.

Budget cuts are never easy and often not popular. Over the next several weeks, state lawmakers will debate the best way to reach the \$27.3 billion spend level.

### **Ending runaway spending and borrowing**

So while the specifics of the final budget are now being worked out, *Citizens to Protect PA Jobs* believes priority No. 1 in the debate is that Pennsylvanians deserve a budget that lives within its means, just as individuals and families have had to do during difficult economic times. The one bit of good news is that the state is ahead of expectations in revenue collections for the current fiscal year. However, with the state facing a nearly \$4.2 billion budget deficit and the loss of federal stimulus dollars that were never intended to be a permanent funding source, fiscal restraint is nonetheless a must:

According to a Harrisburg-based public policy group, from 2002 through 2010, total outstanding state general obligation debt increased 39 percent, from \$6.8 billion to \$10.4 billion. State spending has grown faster than personal income over the past 40 years. Under the previous administration, total operating spending grew almost \$21 billion, a 45 percent increase, or more than double the rate of inflation, and General Fund spending increased more than \$8 billion over eight years.

That's the wrong direction, and Pennsylvanians can no longer afford this unsustainable path.

### **Tax more, spend more not the answer**

There are many who say the solution to Pennsylvania's fiscal crisis is to just raise more revenue. The "tax-and-spend" approach pushes this detrimental economic agenda year after year. Government does not have an endless pot of money. And the money it does spend is *our* money.

Likewise, calls to increase the tax burden on job creators at a time when economic recovery remains fragile is short-sighted and does nothing to bolster private-sector job creation that took a hit during the recent recession.

As the budget debate progresses, *Citizens to Protect PA Jobs* urges lawmakers to take into account what we the voter said when we went to the polls in November – restore responsibility to government spending and borrowing and NO new taxes in order to put the Commonwealth on the road to fiscal and economic health and bolster job creation.

**Take action**

Contact your lawmaker and ask them to pass a state budget that holds the line on spending and taxes, and reject tax increases on job creators and families.