



OREGON HOUSE REPUBLICANS

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UNSUSTAINABLE SPENDING LEAVES OREGON ILL-PREPARED FOR SLOWING ECONOMY *Democrats Passed Record-Breaking Budget Last Year*

SALEM— House Republican Leader Bruce Hanna (R-Roseburg) today said the Legislature’s record-breaking spending last year seriously threatens the state’s ability to weather an economic downturn. State economists today reported there are \$153.4 million less available in the General Fund than were available at the end of the 2007 session.

“Despite having \$2.9 billion in new revenue, the Legislature passed a huge budget backed by tax increases, fee increases and new government debt,” Rep. Hanna said. “Republicans said this level of spending was unsustainable, and now the revenue forecasts are beginning to prove our point.”

Rep. Hanna said he supports the Governor’s plan requiring state agencies to identify five-percent General Fund savings in their budgets. He’s also calling on the Governor to suspend \$12 million in new pay raises for political appointees and \$20 million in union-negotiated “step” increases. Rep. Hanna reiterated the need for the Legislature pass the Republican bill to hire a legislative auditor to improve government performance.

“The Governor apparently agrees this budget is unsustainable, and as a result he should realize this isn’t a good time for him to hand out huge pay raises,” Rep Hanna said. “It’s time for the Legislature to adjust the budget and focus on turning-around a slowing economy. The new rainy day fund, itself funded by a tax increase, may not be sufficient to protect programs and services at current levels.”

Rep. Hanna said Republicans will continue to support key Oregon priorities, including small investments needed to provide 24/7 State Police coverage, fund senior in-home care, and restore the “Big Look” task force for land use reform.

“Given the 20 percent increase in new government spending, we shouldn’t have to nickel-and-dime our Troopers, our seniors and our land use system,” Rep. Hanna said. “We need to spend February identifying savings in the budget, funding core functions of government, and placing the rest in the rainy day fund.”

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