

Republican Budget 2.0

- No tax increase
- Funds BEP 2.0 at 50% (= \$335.5 million more in K-12 than 06-07)
- 3% state employee raise
- \$24 million in compression pay for state employees
- Restores \$32.8 million in recurring road funding
- ½ cent recurring sales tax cut on food
- Non-recurring December sales tax holiday on food
- Crime package (4 Republican sexual offender / firearm bills)
- No pork
- \$21 million farm program
- \$136.6 added to rainy day fund
- \$26 million remaining in non-recurring \$ / \$5 million remaining in recurring
- Does not bust Copeland cap

<u>EXPENDITURE</u>	<u>Governor's Budget</u>	<u>Democrat Plan</u>	<u>Republican Plan 2.0</u>
K-12 improvements	\$284.5 million	\$384.5 million	\$335.5 million
Higher Ed	\$75.7 million	\$75.7 million	\$75.7 million
Employee raise	1% + 2% bonus	3% raise	3% raise
Compression	\$0	\$26.8 million	\$24 million
Rainy Day	\$36.6 million	\$216 million	\$136.6 million
Pork	\$0	\$20 million	\$0
Sales Tax Cut on Food	\$0	\$40.7 million	\$114.8 million
Recurring Highway \$	\$0	\$32.8 million	\$32.8 million
Higher Ed Capitol Outlay	\$0	\$125.9 million	\$125.9 million
K-12 Capitol GRANTS	\$0	\$0	\$100 million
Debt for trees	\$82 million	\$82 million	\$0 (\$82 million cash)
Farm program	\$6 million	\$21 million	\$21 million
<u>TAX INCREASE</u>	\$219.6 million	\$219.6 million	\$0

- In a year with unprecedented growth, \$1.5 billion in new revenue, we should not even be contemplating a tax increase, but should be looking at how to return the taxpayers money.
- We are growing Government at an unprecedented level. By spending so much in good times, the growth is simply unsustainable in lean times and we will be forced into another income tax debate.
- The Governor has said we have to pass a tax increase to fund education. That is simply not true. You can fund the new BEP formula, take care of state employees, add more to the rainy day fund, provide sales tax relief on food, live within our means by not busting the Copeland cap and still not raise taxes!