

## House Republican Press Release

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### **Reps D'Amelio, Noujaim: 2008-09 Budget Flawed, but Avoids Major Tax Hikes**



#### ***Increases Medicaid Reimbursements, Hikes Education Aid to Cities and Towns***

Although the budget approved by the state House of Representatives Saturday morning should have offered more tax relief and gotten a better handle on state spending, it avoids major tax increases, increases Medicaid reimbursements and provides more education aid to municipalities, state Representatives Anthony D'Amelio and Selim Noujaim said today.

“There’s a lot to like and a lot to dislike about this budget,” said Representative D’Amelio, R-71<sup>st</sup> District. “If there was a Republican majority in the state legislature, you’d be looking at a budget that controlled spending better than this one does and offered more tax relief to the people of Waterbury, Middlebury and the rest of the state. Because we developed our ‘No Tax Increase,’ alternative budget, which received strong support around the state, the budget that finally passed does not significantly increase the burden on Connecticut taxpayers. Given the fact that the Democrats control both houses of the state legislature, this budget is an improvement over the proposals that were offered earlier in the 2007 session, all of which called for major tax hikes.”

“While I am very pleased with many aspects of the budget, I also am disappointed with some of them. I am disappointed that spending is increased by 8.8 percent and that smokers were unfairly singled out for a tax increase by the imposition of higher taxes on cigarettes,” said Representative Noujaim, R-74<sup>th</sup> District. “However, the city of Waterbury received a lion’s share of state aid and our two hospitals were the beneficiaries of increased funding for Medicaid reimbursements for hospitals, doctors and clinics, which helps Medicaid patients. Additionally both hospitals will benefit from a one-time grant that will be distributed to distressed hospitals – meaning our hospitals will remain financially strong and inner city patients will continue to receive quality care.”

Also, under the 2008-09 budget:

Waterbury’s Education Cost Sharing grant increases from \$97,808,233 in 2007 to \$108,940,690 in 2008 and to \$113,734,080 in 2009 for an overall increase of \$15,925,847.

Middlebury’s Education Cost Sharing grant increases from \$432,884 in 2007 to \$612,403 in 2008 and to \$639,453 in 2009 for an overall increase of \$206,569.