

House Republican Press Release

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Rep. DelGobbo Expresses Concerns on Democratic Budget Proposal



Cautions against “Magic Money” that May Not Appear and Could Lead to a November Surprise

HARTFORD--State Rep. Kevin M. DelGobbo, R-Naugatuck, ranking member of the legislature’s Appropriations Committee, made the following comments about a proposed state budget for fiscal year

2009 that begins July 1, 2008:

I’m generally pleased at the direction this budget purports to go. Apparently, it brings us to a bottom line that reduces spending. This faces up to the reality of the economic times we are in.

Imitation is the sincerest form of flattery, and we are flattered to see a budget that maintains our No-Tax-Increase budget of last year.

Having said that, we all should be concerned that the savings are real and that this is NOT a cruel hoax on the citizens of the state. You know the old saying, “If something sounds too good to be true, it often is.”

We must be sure this budget is not based on “magic money” that miraculously might or might not appear. I do not want to support a budget built on quicksand. That would be devastating for the people of Connecticut.

The premise behind this budget proposal is that we have found \$110 million sitting under the some couch cushion in Medicaid, nursing home and HUSKY health care savings.

These kinds of numbers emerging at the last minute are difficult to challenge. To the extent that the savings do pan out and turn out to be true, then the budget bottom line would be below what has previously been adopted.

If the savings turn out to be real, then we are heading in the right direction for Connecticut. If the savings are not real, then we are setting ourselves up for a disastrous fall.

We have not yet determined how real these savings are. If they are wrong, the effects would be disastrous. If the numbers are mistaken, then the legislature would have to come back after the elections and face a November Surprise. That's a very real concern.

This legislature could be digging the state into a deeper whole. That is the last thing to do in tough economic times. Either the legislature would be forced to cut back state services or raise already high state taxes.

Before we take a final budget vote, we have more homework to do. We have to look at the reductions which are used to make this budget balance. The whole discussion is about adopting a budget that is real and sustainable.

Some of the savings in question are:

- \$110 million in Medicaid cuts;
- \$40 million in nursing home cuts despite a steady patient load;
- \$50 million cut from the HUSKY health care plan for low income families.

The Democrats also want to add \$189 million more in new spending including taking \$30 million from the tobacco settlement money. Republicans questioned how there can be additional spending, no tax increases and a claim of \$110 million in overall cuts to the bottom line.

There is a great deal that I like and could support in this budget, if in fact the numbers hold up to scrutiny. We also need to be extraordinarily cautious about the worsening revenue picture. We will not have the ability to make informed decisions on state revenues after the April 15 tax filing deadline.