



July 2007

## 2007-08 State Budget Status

### *General Points:*

- Negotiations with all four legislative caucuses and the Governor are continuing and Senate Leadership has made it clear that they are available to meet and work on the budget seven days a week.
- The Senate's budget goals have been consistent: no tax increases, a rate of spending growth near the cost of living, and no gimmicks designed to hide the true cost to taxpayers.
- It is unfortunate that the governor seems to think the Senate's desire to study and improve his legislative proposals is somehow a personal rejection of his priorities. It is, of course, nothing of the sort. There are legitimate policy differences that need to be worked out.
- With such good progress being made on so many legislative issues, it is unclear to us why the Governor would be so reckless as to threaten a shutdown of many state government services.
- The people of Pennsylvania did not elect the Senate to rubber-stamp the governor's ideas. They expect us to do a fair and thorough job – which is what we are doing.

### *State Employee Furloughs:*

- Senate Republicans do not think there is any reason for employees to be furloughed, or for important state services to be shut down.
- If the Governor and the House Democrats would focus on the budget, we believe a resolution would prevent any furloughs.
- The Senate is researching the federal law cited by the administration – and believe that it does not require furloughs, as the governor repeatedly says it does.

### *Other Legislative Issues:*

- The Senate has never refused to address the goals of the Governor's legislative priorities. In fact, many members agree with many of the Governor's goals. But while some parts of his agenda are close to being ready for consideration, other parts – such as the energy package – need a lot more work.
- A transportation funding bill (House Bill 1590) is before the Senate for consideration.

- Five scope of practice bills passed by the House last week are moving forward. They were reported out of committee on Saturday, most with amendments. (One scope of practice bill, SB 455, has already passed the Senate.)
- HB 1201, Gov. Rendell's proposed electricity tax, is on the House calendar. It makes little sense to even work on the many other parts of the energy package until the House votes on the tax. (All tax increases must start in the House under Article III, Section 10 of the state Constitution.) But even if the House does pass the tax, the package needs a lot of work – it makes many complex changes to our energy policy and will affect electricity prices for decades to come.
- SB 968, dealing with healthcare-associated infections, is in the House.