

MEDIA RELEASE

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Maryland House Republicans Respond to O'Malley Budget Cuts

Maryland House Republicans today responded to Governor O'Malley's announcement of his planned budget cuts with skepticism.

“Last year at this time we were told that the state was in a fiscal crisis, and the only way to deal with the situation was to increase taxes, while still continuing to increase spending” said Minority Leader Anthony O'Donnell. “Both during the special session and the 2008 regular legislative session, we continued to remind the administration and the Democratic leadership that increasing taxes and spending at a time when the economy was headed into a downturn was irresponsible and reckless. By disregarding our advice, they have created the situation that makes these cuts necessary. They cannot simply blame the national economic downturn.”

The actions taken during the special session of 2007 raised taxes in Maryland by \$1.3 billion, the largest increase in State history, while total spending increased from fiscal year 2008 to 2009 by 4.2%, an increase of \$1.3 billion. The Tax Foundation, a nonpartisan tax research group based in Washington, D.C., announced on Oct 15th that, according to their annual review of “business friendliness” of each state's tax systems, Maryland dropped from 24th in the nation to 45th. This was the largest decline of any state in the nation, a direct result of the O'Malley tax increases.

“This administration has increased taxes and spending in an already gloomy economic environment. Raising taxes right before a national recession has worsened this crisis, dampening consumer spending and creating a climate that will discourage job creation” said Minority Whip Christopher Shank. “Yet Governor O'Malley refuses to acknowledge his own part in the current situation, and continues to ignore our calls for responsible fiscal leadership.”

“The House Republican Caucus has offered an alternative budget proposal for the past two years, and we have been soundly ignored and even flippantly dismissed for entirely partisan political reasons” continued Delegate O'Donnell. “Are the administration and the legislative leadership going to continue setting unrealistic budgets and coming back with doomsday scenarios as an annual event? Or will we finally recognize that significant, honest, ongoing reductions and a fundamental change in attitude is the only way to prevent exactly that?”

“We will continue to offer alternative budget solutions that are thought-out, honest, and reflect core priorities” said Delegate Shank. “Cutting core state priorities like public

safety and services to vulnerable populations would not be necessary if the Administration and Democratic leadership had restrained the rate of growth and reigned in spending like we proposed for the past two sessions. Now is the time to seriously consider all of the options available in order to ensure that Maryland citizens are served by their government rather than being encumbered by it.”