

MAIN CAPITOL BUILDING
HARRISBURG, PENNSYLVANIA 17120

July 6, 2015

The Honorable Tom Wolf Room 225 Main Capitol Harrisburg, PA 17120

Dear Governor Wolf:

Your indiscriminate veto of House Bill 1192, the Fiscal Year 2015-16 General Appropriations Bill, puts politics above governing. The veto unnecessarily withholds billions of dollars in undisputed state and federal funds, which will prevent social service organizations from accessing their state funds, and prevent school districts from accessing federal fund appropriations. All told, 274 of the roughly 400 state line item appropriations in House Bill 1192 are the same or more than the appropriations contained in your March 3rd budget proposal. That means approximately two-thirds of the budget line items that you vetoed provided the same or more state support than what you called for in your initial budget proposal. Clearly, there was no reason to hold those who would receive these funds captive during this unnecessary budget standoff.

House Bill 1192 recognized that increasing education spending was a top priority for Pennsylvanians. It increased Basic Education Funding by \$100 million, increased Special Education funding by \$20 million, increased Pre-K Counts funding by \$25 million, and increased support for Head Start programs by \$5 million. This budget also included a new innovative Accelerated School Construction Investment program that would have provided billions of dollars to school districts to reimburse them for school construction projects and to clear outstanding construction debt from their balance sheets – freeing up more money to be spent in the classroom. All told, this budget committed a record \$10.6 billion to PreK-12 education, the most in Commonwealth history.

Governor Wolf July 6, 2015 Page 2

Moreover, House Bill 1192 is a balanced budget plan — characterizing this budget as anything else is yet another political stunt. A government that works is continually evaluating and re-evaluating existing programs and spending to make sure all programs are achieving the intended results. This budget is the product of hard work, scrutinizing each and every program and account to make sure that before increasing taxpayers' financial burdens, we were certain existing programs were working efficiently. Not surprisingly, we were able to balance this budget by adopting such efficiencies and generating new revenues by moving Pennsylvania into the future by privatizing our archaic liquor system rather than relying on the billions of dollars in tax increases you proposed in your budget.

While House Bill 1192 protects the taxpayer, it has been well documented that your March 3rd budget proposal views the taxpayer as an endless source of money to be tapped to satisfy desires for more and more state government spending. However, the reality is there is just no support in the General Assembly, or among the people of Pennsylvania, to increase taxes by more than \$12 billion over the next two fiscal years. The people of Pennsylvania are just unwilling to endorse your Personal Income Tax increase of 21% or your plan to increase the Sales Tax by 40% while taxing additional items such as diapers and daycare.

The lack of support for your massive tax package was made plain on the floor of the House of Representatives on June 1st when not one member — Republican or Democrat — voted for it. It was clear from this vote that another path to an enacted budget was required. After a lot of hard work, House Bill 1192 was put together and received near-unanimous support from the House Republican Caucus when it passed the House by a vote of 112-77 on June 27th and garnered unanimous support from the Senate Republican Caucus when it passed the Senate by a vote of 30-19 on June 30th. You have repeated on several occasions that now it is our plan versus your plan. This is disingenuous. Your plan has no legislative support, while our plan passed both legislative chambers with considerable majorities.

House Bill 1192 made record investments in PreK-12 education, provided more money for our higher education institutions, enabled the State Police to hire 350 new troopers and increased funding for critical health line items. It also made key investments in agriculture, which is Pennsylvania's number one industry. Our budget had a General Fund spend number of \$30.18 billion, which is an increase of \$1 billion or 3.6% as compared to last fiscal year. All of this was done without raising taxes.

By vetoing House Bill 1192 in its entirety, you are telling the General Assembly that you do not agree with any of the more than four hundred line item appropriations included in it – some of which were your own proposed funding amounts. For example, your March 3rd budget proposal and House Bill 1192 both provided 10 percent increases for rape crisis and domestic violence services, yet you saw fit to veto the agreed-upon increases for these important programs. Your veto puts at-risk timely payments to non-profit organizations, program providers, vendors and ultimately school districts.

We are very dismayed about your quick rejection of a common sense budget that was crafted after substantial hard work by the General Assembly. The House and Senate expressed their will through the passage of House Bill 1192, and it is now incumbent upon your administration to present a realistic counter plan that can pass both chambers. We will continue to work with you to come to an agreement on a General Fund Budget for the 2015-16 fiscal year that meets Pennsylvania's needs while being responsible to the taxpayer.

Sincerely,

Representative Mike Turzai
Speaker of the House

Mike Tura

Representative Dave Reed House Majority Leader

Senator Joe Scarnati

Senate President Pro Tempore

penh O. home III

Senator Jake Corman Senate Majority Leader

Representative William Adolph, Jr. Senator Patrick Browne

House Appropriations Committee Ch. Senate Appropriations Committee Chairman

Representative Bryan Cutler

House Majority Whip

Senator John Gordner Senate Majority Whip