Budget News Conference

*Note - Gov. Perry frequently departs from prepared remarks.

**Wednesday, April 23, 2003**

I am joined this morning by members of the Texas Association of Business, Citizens for a Sound Economy, Texas HELP, the Texas Conservative Coalition, the Texas Citizen Action Network, the Texas Women’s Alliance, the Texas Public Policy Foundation, the National Center for Policy Analysis, the Free Market Foundation, the Young Conservatives of Texas, the Independent Bankers Association of Texas and the National Federation of Independent Business. These leaders represent more than 400,000 grassroots members across Texas and share a common commitment to keeping government spending under control.

With six weeks left in this session, I am pleased that legislators are addressing the state budget without trying to raise the price of state government on the Texans who pay the bills.

Yesterday, I talked about the state budget in the living room of a Dallas family to illustrate that government should adopt the same approach our families use when times are tight. When spending exceeds income, our families know that the solution is not credit card borrowing or wiping out any savings they may have to pay monthly bills because eventually it will catch up to them, and the problem will only be compounded. For families to successfully confront tight times, there is only one sure remedy: controlling spending.

If you take the time to listen, you can hear a lot of common wisdom emanating from the tabletops and countertops of our families and small businesses. The folks who pay the taxes, and pay the bills, and raise their children to live decent and productive lives...they may not always speak with a loud voice, but they definitely have something to say. And they believe just as families must live within their means, government should too.

We must resist the cycle of undisciplined spending that leads to higher taxes that then leads to more undisciplined...
spending. If higher taxes ensure sufficient revenue, then why does California now face a $35 billion budget gap?
Over the long-term, tax hikes do not alleviate economic and budgetary problems. They exacerbate them.

In addition to taking a firm stand against new taxes, I have spoken out before against draining one-time accounts to pay for ongoing expenses and deferring payments to future budget cycles. Each of these so-called solutions can be traced to one root cause: a refusal to reign in spending.

We must not attempt short-term solutions that come at the expense of long-term prosperity. We cannot create jobs and additional revenue by passing the tax hikes that kill jobs and dry up sources of revenue.

Showing fiscal discipline is not easy. Sometimes it requires saying no to worthwhile programs. Sometimes it requires accepting reductions in one's own favored initiatives. But no one should be surprised that I have remained adamant about keeping taxes low and ensuring fiscal restraint. I campaigned on it.

Some folks think the only way to show leadership is by raising taxes on hardworking Texans. I disagree. I am leading this debate in a very different direction. I provided close to $9 billion in ideas for budgetary savings and reductions in my state of the state address.

Legislators have accepted some of those ideas and discarded others. But the legislative process is working. I want to encourage members of the House and Senate to continue to hold the line on spending, to invest in priorities and spend what they can afford, but not one cent more.

Texas families and Texas small businesses may not be organizing petition drives or marching on the Capitol, but they are keenly interested in who is working to give them a government at a price they can afford. And even if their voices are quiet, legislators would be wise to hear it.