

## Rebalancing plan passes Senate, Focus shifts to \$3.3 billion shortfall for 2009-11

by Bend\_Weekly\_News\_Sources

SALEM, Ore. -- The 2007-2009 budget rebalancing plan passed by the Senate Tuesday represents a remarkable effort “ by lawmakers, state agencies and schools across Oregon “ of shared sacrifice and shared solutions, Senate President Peter Courtney and Ways and Means Co-Chair Margaret Carter said.

“The budget cuts in this plan will affect real people in a very profound way, but thanks to the efforts of people both inside and outside the Legislature, this plan represents a good faith effort to do all that can be done to preserve the services Oregonians count on every day,” said Courtney (D-Salem/Gervais/Woodburn).

Courtney and Carter said agencies, advocates, educators and parents worked with lawmakers to find ways to close an \$855 million budget gap over the final four months of the current two-year budget cycle.

Carter pointed to the example of Portland Public Schools, which had originally said funding reductions at the state level could mean cutting eight days from the current school year. Following the creation by Legislative leaders of the School Day Restoration Fund last week, however, the district superintendent said she would work to “do everything possible to preserve the student year.”

“That’s an example of a shared solution,” said Carter (D-Portland). “We all have the same goal, making sure our school children continue to get a quality education even in the face of this budget crisis. Because districts like Portland are willing to meet the Legislature half way, that goal will be realized in most districts across the state.”

Senate Bill 5552 reduces agency budgets by \$311 million, utilizes \$401 million in federal stimulus funds, and \$150 million in other state funds and budget adjustments. It passed the Senate 21-8 along with SB 581 which includes program changes. Both measures move to the House where a vote is expected later this week.

Courtney and Carter said lawmakers now must turn their attention to the \$3.3 billion funding shortfall for the 2009-2011 biennial budget.

“The next two months will be critical for the 09-11 budget,” Courtney said. “We don’t know what the May forecast will bring, but we have to be prepared to move forward. Everyone has to come to grips with the reality that there will be no simple answers and no easy choices. We all have to remain disciplined and continue to work together to see this thing through.”

“We have a new challenge in front of us “ protecting critical services and our most vulnerable citizens in the face of an even larger budget deficit,” Carter said. “The last six weeks have shown us that no task is insurmountable if we join forces and tackle it head on by sharing the sacrifice and seeking shared solutions.”

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