

Governor Proposes Lean Budget for Fiscal Year 2011

This week, Governor Culver released his budget plans for the state fiscal year 2011, which begins July 1, 2010. With Iowa still struggling due to the effects of the lingering national recession, the Governor proposed a lean budget that reflects the priorities of Iowans – helping middle class families, balancing the budget without raising taxes, maintaining quality schools, and creating good-paying jobs.

The Governor recommends a budget that incorporates many of the cost saving initiatives proposed by his office and the Legislature to reduce the cost of state government. The Governor is proposing a general fund budget that expends \$5.32 billion, which is less than the budget three years ago.

The Governor is proposing additional investments in the state's infrastructure with \$150 million for I-JOBS in order to create jobs and make Iowa more attractive to businesses relocating. The Governor also wants to continue assistance to those communities affected by the floods and tornados of 2008.

The Governor's plan maintains the 2% increase in funding for each student attending Iowa's K-12 school system. He also restores \$100 million in the reduction in funding schools experienced in this budget year.

The Legislature's seven budget subcommittees have completed their second week of meetings. The Governor's recommendations will now be considered in that deliberative process that is expected to continue through much of the Legislative session, in order to produce a balanced budget.