



November 20, 2002

Governor-Elect Jim Doyle's statement on today's revenue projections:

"It is no surprise to anyone that we have inherited a budget deficit.

"It has been clear for some time that we would face that challenge if we won the election. In many respects, the looming deficit dominated the debate in the last months of the campaign for governor.

"What is a surprise is the size of our inheritance. The \$2.8-billion deficit we discussed has now become a \$4.3-billion deficit. And the numbers may keep getting bigger.

"Part of this deficit problem will be solved by revenue growth. But DOA's revenue projections today are probably too optimistic. They still rely on anticipated revenue growth of more than 5 per cent in each of the next two years. I believe Wisconsin's economy will bounce back, but the recovery may not come as quickly as expected.

"I have been saying for months that our top priority – before we tackle anything else – must be to get our financial house in order.

"I am determined to do that, through a combination of growth and spending cuts. Tax increases are not an option. I know many are skeptical when I say that, but I believe the legislature and I can work together to hold down spending and taxes to balance this budget.

"It won't be easy. It will be painful. We all will be asked to make some sacrifices. But we can do it. And we will.

"We will soon have a new budget team in place to take a fresh look at the scope of the problem. I will ask that team to look at short-term savings that can be made between the time I take office on January 6th and the end of the fiscal year on June 30th. At a minimum, we need to look for ways to offset the projected \$320-million deficit for the current fiscal year, while we consider longer-term solutions for the next biennium."

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