

Having reviewed and carefully considered my options, I have elected to veto Chapter 374—the Omnibus Budget bill.

The reasons are these: It shifts most of the problem to the next budget cycle.

It is simply a hoax on the citizens of Minnesota when legislators continue to promise services tomorrow when they know today they have no way to pay for them.

They took the easy way out. The responsible way out was provided to them in January when I produced a sound fiscal solution that honestly confronted the problem.

After the legislature passed “phase one” they promised they would work toward reducing the spending versus revenue gap, but they did not, and will likely leave us with at least a two and a half billion dollar deficit in the next budget cycle.

I have not been absent.

I stood ready with my plan for 5 months, but they chose to ignore me and stand by their resolve to do a quick political fix.

I have been honest.

I said I would not be a part of a political solution that would put this state in fiscal jeopardy and therefore I have vetoed Chapter 374.

In addition, I have elected to let Chapter 377—the Omnibus Tax bill—go into law without my signature.

The tax bill, like the budget bill, is clearly inadequate and does not responsibly contribute to a long-term budget solution. In fact, it also borrows from future budgets to pay today’s bills.

There are new taxes in the bill. But, incredibly, the new taxes in this bill will not contribute to current spending obligations for schools or nursing homes, but will go toward a new state aid program that will benefit only three counties, higher state payments to farmers, and a host of new tax breaks for local projects and businesses.

However, the bill does have some provisions that will benefit taxpayers—most importantly conformity to the federal economic stimulus bill—and therefore I feel it is important, in spite of its flaws, to let it become law, but without my signature.

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