

NEWS RELEASE

IOWA TAXPAYERS ASSOCIATION

For Immediate Distribution

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**ITA RESPONDS TO REVENUE ESTIMATING CONFERENCE
ADVISES NOT TO USE ONE TIME FEDERAL STIMULUS MONEY
FOR ONGOING EXPENSES DESPITE REVENUE SHORTFALL**

The **Iowa Taxpayers Association** (ITA), the state's leading nonpartisan business tax policy resource encourages Governor Culver and legislative policymakers to head back to the budget drawing board following today's revised projections from the Revenue Estimating Conference (REC). Because the REC estimates that the net General Fund revenues will be \$129.7 million less in FY 2009 and \$269.9 million less in FY 2010, ITA encourages Governor Culver to refrain from using funds authorized from the *American Reinvestment and Recovery Act* for ongoing expenses.

Governor Culver is required by law to release a revised budget within the next two weeks and in doing so will serve Iowa best by not violating one of ITA's long-time Sound Budgeting Principles - **Avoiding the use of one-time or time-limited sources for ongoing expenses.**

"Given the REC numbers today, policymakers would be well served to avoid using federal stimulus money for ongoing expenses; instead focusing those dollars on projects that will serve Iowan's into the future", said Ed Wallace, President of the Iowa Taxpayers Association.

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