

Surplus or Deficit?

Budget Basics

Surplus = Revenue > Expenses

Deficit = Revenue < Expenses

Republicans - “We have a budget surplus.”

*“With \$3 billion in additional revenue and a **sizable surplus** heading into the upcoming biennia, the **state has sufficient revenue** to cover all existing costs, make the next required enhancement to McCleary, and increase the K-12 budget by the highest dollar amount in history.”*

Sen. Andy Hill, Windows Into the Budget (1/9/15)

*“There is a **myth**, propagated by the Governor and others, that **Washington faces a massive budget deficit**, meaning that the state has insufficient revenues to continue existing services.”*

Sen. Andy Hill, Windows Into the Budget (1/9/15)

Republicans - “We have a budget deficit.”

*“In the next two-year budget cycle (2015-2017), the state is expected to take in about \$3 billion more in revenues (8 percent increase). However, even with this generous uptick in state tax collections, the state is still expecting a **significant budget shortfall**.”*

HRC blog post - What does the operating budget deficit/shortfall mean? (2/18/15)

*“We’ve been through **deficits** before. We’ve come out of them again and **we will this time**.”*

Sen. Mark Schoesler, Seattle CityClub 2015 Legislative Preview (1/9/15)

The state budget either has a surplus or a deficit - not both.

The AP, Seattle Times, Office of Program Research, & Office of Financial Management all agree - we are facing a multi-billion dollar deficit.

Denying the problem is not a solution.