

## **Gregoire Challenges Successor: WA Needs New Revenue**

### **Local News**

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Washington Gov. Chris Gregoire challenged her future successor Wednesday to pursue new revenue in support of education, saying that she wished the state had committed more money to that this year. The leading candidates to replace Gregoire - Democrat Jay Inslee and Republican Rob McKenna - have both said they don't see the need for new revenue. But Gregoire said the budget they will have to adopt shortly after taking office is already in need of \$1 billion for education. To the candidates that are running: We can say, 'No new revenue.' But the reality is, we cannot live up to our responsibilities without new revenue - Gregoire, Inslee and McKenna believe the state can save money through efficiencies and lower health care costs. And Inslee particularly said he thinks the state can grow its revenue with a strong economy.

Gregoire dismissed that idea, saying political leaders need to be realistic. Economic growth will be slow, she said. "The idea that we're going to turn the economy around in a split second and get (\$1 billion) - there is absolutely nothing in terms of a forecast to suggest that would suggest that to be true," Gregoire said. Gregoire's comments came as she signed what is likely to be the last spending plan of her eight-year tenure. She will propose a new budget before leaving office in January, but it will likely be left for her successor to finalize. That budget cuts state spending but avoids further cuts in education. Budget negotiators relied on a \$238 million accounting maneuver in which the state will temporarily claim control of local sales taxes before they are redistributed back to jurisdictions at their usual time. Gregoire also approved major policy bills that conservative lawmakers had pushed as part of a final budget compromise. One of those requires that lawmakers pass budgets that are projected to remain balanced over a four-year period, instead of the current two years.