Room 423 - State Capitol Bldg. - Jefferson City, MO 65101 - Contact Barbara Mustoe Phone: (573) 751-2306

Week of Dec. 10, 2007

## **Our Work Continues**

Last week, I discussed the importance of public hearings and let you know about some of the testimony the Senate Appropriations Committee heard from citizens from throughout Missouri. This important part of the budget process lets us make sure that we are investing wisely in a way that benefits real Missourians. The 2008 legislative session begins on Jan. 9, and we will continue to work to craft a fiscally responsible budget that provides for the state's most critical needs. The process of creating a budget will continue over the following weeks and months. On Jan. 15, the governor will deliver the State of the State Address when he will outline his budget priorities for fiscal year 2009. The House Budget Committee then develops a proposal to send to the Senate.

While House members are developing their recommendations, the Senate Appropriations Committee works independently reviewing the governor's requests. After the budget bills work their way through the House, we amend the budget bills, which are then sent to the full Senate for approval. Our amendments are based on careful study of the details of the state's budget—looking at the most up-to-date budget figures available. At times, the Senate Appropriations Committee will choose to drastically reduce the funding on an appropriation the House has increased, but this is not a sign of opposition. Instead, this budgetary device is a way to create a range of choices from \$0 to the maximum amount authorized by the House. Such actions help us prepare for the next step in the process after the Senate approves the bills—the conference committee.

During conference committee, the House and Senate meet to iron out any differences in the budget. We again rely on the most recent budget numbers available in order to create the most accurate budget possible. The constitutional deadline for the budget's completion this year is May 9, meaning the full Senate and House must come to a compromise on the bills before the end of that day. The completed proposal is then sent to the governor for his approval.

While we work on the budget for fiscal year 2009 (which begins on July 1, 2008), our eyes stay focused on the future of our state's finances. One issue that has already come up and is sure to surface again, is concern over the 2010 economy. We're going to be coming out of a year where

revenues were particularly healthy and going into a year where the revenues appear to be healthy enough to sustain a degree of growth. However, 2010 is a concern, and I believe the problem will require a more complicated solution than to simply save money. Instead of denying some of the stimulative effect of state dollars on the 2010 budget environment, I would prefer to see us invest in one time, non-reoccurring expenses. This strategy would allow us to stimulate the economy of the state so that we can improve the 2010 climate.

The process of crafting the state's spending plan includes appropriating billions of dollars. We approach the work with careful deliberation based on the most recent figures available. It is a job I take seriously because I understand our work affects Missouri's children, families, students, parents, and elderly. I will continue to keep you up-to-date on our efforts as we proceed in our work over the following months.

Senator Gary Nodler represents the people of Newton, Jasper and Dade counties in the Missouri Senate.

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