



# SENATOR MATT BARTLE

**District 8 – Capitol Building, Room 319 Jefferson City, MO 65101**

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## **Time for Responsible Fiscal Planning**

Last week I touched on the grim reality facing the Missouri budget in the coming months. Although it is difficult to predict actual totals with more than half of fiscal year 2009 remaining and the economic environment being so volatile, most seem to agree that we are somewhere in the ballpark of coming up \$340 million short on the budget for FY 2009—something that most would not have believed just a short time ago when there was a projected surplus of nearly \$300 million.

Now, lawmakers are in a position to make some tough decisions in the coming months as we examine the budget for the 2010 fiscal year, which will begin in July 2009. Many of the funding promises made by some during the 2008 campaign season will be off the table as the state struggles to fund only the essential programs and services while trimming wasteful spending wherever we can. The Missouri Constitution wisely requires state lawmakers to balance the budget each year so there is no going into debt—unlike the federal government that is currently hundreds of billions of dollars in the red and is spending like there is no tomorrow.

During times of budgetary crises, it is the instinct of some politicians to increase the tax burden in a misguided attempt to boost revenue. We must avoid raising taxes at all costs. Lower taxes will help spur a sluggish economy and put us on the road to recovery sooner. Higher taxes will further stunt our economic growth. We must remember that government is not the solution. In fact, it is often part of the problem. The free market will rebound soon enough if we have the patience to let it work and avoid tampering with it through policies that raise taxes and redistribute wealth.

Careful planning and vigilant fiscal responsibility will also help soften the economic blow of future recessions. With December 1<sup>st</sup> being the first day lawmakers could pre-file bills for the 2009 legislative session, I took the opportunity to file a bill that would create a savings plan for the state. This constitutional amendment, if approved by the voters, would put away 2 percent of the general revenue budget each year in a state savings account.

However, there are times when budget cuts simply must be made. Fortunately, thanks to the fiscally conservative leadership of Governor Blunt as well as that of budget hawks in the Legislature, Missouri is in a lot better economic shape than most states. Nevertheless, in the near future we will still be forced to take out the budget axe.

We anxiously await our new governor-elect's budget recommendations for the Legislature to see where he proposes to cut spending and what he proposes to fund. This is an opportunity for us to put our spending priorities under the microscope and to develop a workable plan for the future that will best serve Missouri.

If you have any comments or questions about this week's column or any other matter involving state government, please do not hesitate to contact me. You can reach my office by e-mail at [matt\\_bartle@senate.mo.gov](mailto:matt_bartle@senate.mo.gov) or by phone at (888) 711-9278. My web address is <http://www.senate.mo.gov/bartle>.

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