



MISSOURI SENATE

JEFFERSON CITY

Wes Shoemyer
18th Senate District

CAPITOL BUILDING, ROOM 434
JEFFERSON CITY, MO 65101

**A Weekly Column for the
Week of Dec. 08, 2008**

**Capitol Office
(573) 751-7852**

Budget Woes Mean Tough Decisions

JEFFERSON CITY – We all know how the recent economic slowdown has made life a lot more difficult for folks, and most experts predict the tough times will continue for at least a year if not two. The incoming governor, Jay Nixon, is reassessing his options in the wake of a projected \$342-million shortfall in state revenues. Lawmakers will be consumed with the budget shortfall when the legislative session begins in January. The Senate Appropriations Committee, which began holding public hearings on the budget last week, has been swamped with requests from agency directors and others not to eliminate the funding they receive from the state.

Much of the projected budget shortfall in Missouri can be tied to rising unemployment and falling consumer confidence. When folks get nervous about their jobs or about the state of the economy in general, they tend to hold on to their hard-earned money instead of spending it, which makes the slowdown even worse. When people stop spending, state tax collections drop. State tax revenues are down four percent right now and could drop five percent by the end of the year, resulting in the projected \$342-million deficit.

Governor-Elect Nixon says he will look at state tax credits, state construction projects and long-term government contracts in an effort to find savings to cover the budget shortfall. His staff is also going to review all state agencies and programs to find other ways to save money, so I'd say everything is on the table right now. I take some comfort in the fact the new governor is taking these steps now, rather than waiting until he takes office January 12. Once he delivers his recommendations in the annual State of the State address, we'll have a better idea of the problems we face and how we might solve those problems together.

Of course, Governor-Elect Nixon is busy right now putting together his new team. Nixon has named more than 100 Missourians to serve as Citizen Transition Advisers, enlisting their help in finding the best and brightest leaders across the state to apply for positions in his new administration. Those advisers include Tracy Smith, a county clerk in Shelbina, former Rep. Phil Smith of Bowling Green, former Rep. Phil Tate of Kirksville, John Yancey, a former county commissioner from Hannibal, and Eddy Mitchell, a farmer from Holliday, to name just a few. I've been contacted by the new administration about my ideas for the departments of Agriculture and Natural Resources.

Finally, I want to offer my congratulations to the Hannibal Arts Council for securing a Neighborhood Assistance Program tax credit to create a new arts facility in downtown Hannibal. The state Department of Economic Development approved \$87,500 in NAP tax credits for the new arts center.

The Hannibal Arts Council plans to purchase and transform an old bar/restaurant in downtown Hannibal to create a reception area, offices, a gallery and performance spaces in the former bar area, and to create a workshop, meeting area, kitchen and storage spaces in the former kitchen area. The Hannibal Arts Council has been supporting the arts in all of its forms since its founding in 1975, and I just want to thank them for all they do on behalf of the community and to wish them the best of luck with the new arts facility.

If you have any questions or comments about this or any other issue, give my Capitol office a call at (573) 751-7852, send me an email at wes.shoemyer@senate.mo.gov, or drop a line to Room 434, State Capitol, 201 West Capitol Ave., Jefferson City, MO 65101.