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DISTRICT 21

Senator Bill Stouffer - Cultivating Rural Missouri.

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The Stouffer Report: The 2009 Fiscal Year Is Here

The economy is "front and center" with nearly everybody in the country right now. And it is no different in Missouri.

July 1st marked the beginning of the state's 2009 fiscal year. We passed a \$22.4 billion budget before the mandated deadline of May 9th. Missouri has a better outlook for the coming year than most states. Our favorable economy is providing a positive impact for all the folks in our state.

A recent report issued by the National Conference of State Legislatures shows 23 states are facing a total budget gap of at least \$26 billion. The report says of the 50 states, 33 are classified as concerned about their economic outlook, four states are shown as pessimistic, and 13 states are listed as having stable or optimistic outlooks for the fiscal year. We have been fortunate to see three consecutive budget surpluses in Missouri.

Getting to this point has involved more strategy than luck. Not that long ago, we were in a bad way economically. Just four or five years ago, we were looking at a \$1 billion shortfall. We turned this into a \$600 million surplus by making some tough choices which included reforming Medicaid. I think another smart move was switching our budgeting process to a performance-based system, which is what you see in the private sector. This change allows us in the legislature to put an emphasis on providing funding to programs that are working and stop wasting taxpayer dollars on the ones that are not. We have also spent the last three years trying to eliminate waste, fraud, and abuse of the government and its programs. Where we were once on the brink of economic disaster; we are now thriving.

Other states are talking about cutting programs and raising taxes.

Some of those states are having to cut the amount of money spent on education or cut the number of firefighters and police officers. Missouri is not doing any of those things. In fact, the governor signed Senate Bill 1187, which removes the cap of 99 officers in the Missouri State Water Patrol.

I am happy to see the changes that have come about in such a short amount of time. I remember hearing some folks say we would never be able to enjoy true prosperity back when we were a billion dollars in the hole. It looks to me like we took the right steps to not only turn around that budget shortfall, but be able to have a surplus in only a matter of three years.

Even though the new budget year just started, it is only a matter of a few months before the process starts all over again. Usually, the first budget discussions are held in November. By May 8th of next year, we will have another balanced budget delivered to the governor.

Senator Stouffer serves the counties of Carroll, Chariton, Cooper, Howard, Lafayette, Macon, Ray, Saline, and a part of Clay.

If you have questions or comments about this or any other issue, please call toll free (866) 768-3987 or by e-mail at bstouffer@senate.mo.gov.

Contact Information

Website:

Capitol Office http://www.senate.mo.gov/stouffer
State Capitol

Room 332

Jefferson City, MO 65101

Toll-Free Phone Number: 866.768.3987

Phone Number: 573.751.1507
Fax: 573.751.9764

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