

For Immediate Release  
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# SHARING A VIEW OF THE STATE

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Issues and Comments – 33<sup>rd</sup> Senatorial District

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*Senator*

## ***Chuck Purgason***

As is usual in state government, the pace of the action picks up as the session nears its halfway point. The official budget bills that must originate in the House are being debated and should move to the Senate after the annual spring break that begins March 17<sup>th</sup>.

The Senate continues work on the budget by reviewing the budget requests that all of the state departments present to the governor and budget committees for their approval. This week, the Senate Appropriations Committee worked on the budgets of the Departments of Health and Senior Services, Mental Health, and Social Services. These are always frustrating budgets to work on because of the continued growth in these programs and the continued dependency on both state and federal dollars.

It continues to be a balancing act when it comes to coming up with state dollars to draw down federal dollars into the budget. This is tough because we as a state must operate within a balanced budget while the federal government is allowed to borrow and practice deficit spending.

In other words, the only way the state gets its funds is to tax and take money away from citizens of the State of Missouri through taxes and fees. The federal government does the same, but when they don't have enough of your hard-earned money to cover the bills, they print more and borrow. This makes it very hard for the state to continue to keep up with both mandated and optional federal government programs.

Many in the legislature have the attitude that we should go after every federal dollar that is available, but in order to draw down federal funds we would be required to come up with matching state dollars. I don't know about you, but I can still go broke buying things at 50% off.

Another frustrating part is finding things in the budget that are designed to help people who have been harmed by other state government programs and policies. This is especially true in reviewing this year's Department of Agriculture budget. The first item I found was small, but could still cost us \$50,000. This would fund a study and an outreach program to find a way to retain our current dairy industry and to attract dairy industry back to our state. Some of this

would be done by working with large dairy co-ops and other large dairy-related businesses across the nation. Personally, I would like to have family-owned dairies operating in our communities rather than the large dairy co-ops.

I don't know how you feel, but in my opinion it does not take a rocket scientist to figure out why the dairy industry is leaving the state. They are leaving because there is no profit in milking anymore. I can go out in my community and see once-thriving dairy farms where all we now see are silent milk barns that stand empty.

This year the farmers in our area are seeing feed prices going up weekly. Fertilizer has gone from around \$200 per ton just a couple of years ago to over \$600 per ton on today's market. Prices for fuel, equipment, seed, and spray are all increasing. If this were due to market forces one could say that the market will settle down over time as it has always done, but I do not believe that will be the case in this situation.

This situation has been caused by factors that government has created or had a hand in creating. The government's push to use agricultural products to produce ethanol and bio-diesel has been a factor. The policy of lowering interest rates to encourage more debt to continue to prop up the economy has resulted in a falling dollar that has, in turn, caused the price of everything imported into the country and into our state to cost more.

This is especially true when it comes to the cost of fertilizer. Because of the government's EPA standards it has become impossible to produce fertilizer in the United States. Therefore, we have to rely on imports. Every time the value of our dollar drops these imports cost us more.

But wait, with this in mind does the government stop and review its policies and learn from mistakes? Or, in an election year, do we borrow money from foreign investors, going deeper in debt, print money, and send budget stimulus checks to people so they can go out and buy things made in foreign countries?

I guess we already know the answer to that one.

I welcome your opinions and suggestions. You may reach me at 573-751-1882, e-mail to [chuck.purgason@senate.mo.gov](mailto:chuck.purgason@senate.mo.gov), or write to me at the Missouri Senate, State Capitol, Room 420, Jefferson City, MO 65101. If you would like to receive these newsletters electronically, please call or e-mail my office.

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