



State Senator Scott T. Rupp ~ District 2

The Rupp Report

*Serving Lincoln County & St. Charles County***Column For Week of: November 30, 2009**[Website](#) | [Biography](#) | [Newsroom](#)

Lawmakers to Consider State Budget Requests in Challenging Economic Time

Senate Appropriations Committee hearings will be held at the State Capitol on Dec. 7 and 8 — an annual event in which the public is invited to give testimony and provide input regarding the state's annual budget. As I am sure everyone attending those committees hearings is aware, this is going to be a very tough budget year as our state deals with less-than-projected revenues associated with the economic downturn and works to minimize the negative impact on the state budget.

To date, the governor has held withheld or cut \$634 million in spending from the FY 2010 budget. Those actions were required to balance the state budget for a budget scenario in which revenues declined by only four percent. Given the 10 percent decline in state revenues reported at the end of September, additional withholding is likely before the current budget year ends on June 30 and will very likely translate into a reduction in state spending in the FY 2011 budget, which lawmakers will begin drafting in January. Already, more than 2,000 full-time or part-time positions have been eliminated — and the state has been forced to dip into the budget reserve fund to the tune of \$350 million, which must be repaid by May 15, 2010. Let's not forget this budget also included more than \$711 million in federal stabilization funding, which will not be there after 2011.

As a member of the appropriations committee, I understand that balancing the state's 2010-2011 budget is going to mean some difficult decisions in order to ensure that we balance spending with revenues as required by our state constitution. I also know that state lawmakers are committed to doing the very best job we can to manage taxpayers' dollars without raising taxes and minimizing the loss of vital programs and services in order to ensure our state's future prosperity. Our state has fared much better than many others across the country, including many of our neighboring states in the Midwest, because we have exercised financial responsibility and restraint.

No doubt, the budget crisis can be felt everywhere across our country. The good news is that the economy eventually will improve. Already there are signs that this is happening with improvement in the current national GDP (gross domestic product) figures. Until more of this progress is seen, our state government must — and will — take great care not to spend recklessly or above our means to protect our state's citizens.

I am very pleased to report that it appears our state will submit a timely application for the *Race to the Top* education-reform competition during the federal program's first round of education funding. Earlier this month, I voiced strong opposition when our state's top education official said our state would not pursue the first round funding opportunity for the major school reform initiative due to time constraints and other considerations.

Based upon our state's population, there is potentially \$100 million of this federal grant money available to us, and any decision not to pursue the *Race to the Top* funding during the first round of funding, I believed, would have been highly irresponsible. A winning application for our state could provide a major educational boost to our state's educational system and result in greater opportunities for our students. We appear to be ideal candidates for the grant, and I sincerely hope we receive it.

As always, if you have any 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 phone at (866) 271-2844.

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