



The Stouffer Report: *Budgeting without Breaking the Bank*

The Fiscal Year 2010 budget will be the largest in state history: \$23.1 billion. The fiscal year in Missouri runs from July 1 through June 30.

When Matt Blunt became governor in 2005, he worked with others to balance a budget and enact new laws that put Missouri back to work. When he left office at the beginning of this year, the state had amassed an approximately \$800 million surplus. When the recession hit, this changed into a \$600 million deficit. This was bad news, but compared to other states, we are in good shape. In fact, some states have still not paid their tax refunds as promised. Others, like California, never will.

As lawmakers began working to see how to fill in the gap, the federal government passed the [American Recovery and Reinvestment Act](#), commonly referred to as the federal stimulus package. The nearly \$1 trillion federal stimulus plan is money you have already sent, or will send, to the government, and is not free. We cannot spend our way to prosperity. Now there is around \$780 million of federal stimulus dollars in the 2010 Missouri budget. To me, this sets a dangerous precedent.

Unfortunately, when the stimulus money runs out, the gap between what we are providing to Missourians and what we can afford will only be widen.

There were tough decisions that needed to be made this year. There were areas of the budget that should be been thoroughly reviewed in order to produce the balanced budget that is called for in our state constitution. Instead, it was decided to use some of

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the stimulus money this year and hold onto more of it for the 2011 budget. This means, by Fiscal Year 2012 — which will be here in two years — we will have to make the decisions we should have made *this* year, and whatever others will have become an issue in the meantime.

Curbing spending is something that seems to be foreign to bureaucrats. Let me give you an example. In 1990, Missouri's budget totaled roughly \$7.5 billion. In 2000, it had grown to \$16.8 billion. The budget for 2010 is \$23.1 billion. We are spending around three times the amount of money were just 20 years ago.

Despite the recession, Gov. Nixon proposed and managed to pass a budget \$2 billion larger than the last, amid a recession and slowing revenue to the state.

What is the solution? Unfortunately, finding money to fund all of the services the state provides will only become more difficult in the years to come. And, Missourians do not like tax increases.

We have to cut the waste, fraud and abuse from the system immediately. We have already begun this process by looking into every tax credit plan in existence and will continue to examine every dime we take in and spend in Missouri. I pray we can find the best solutions to protect your pocketbook as we wait to see how the economy will play out over the next year or two.

Taxpayer, not government, will be the answer.

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.

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