

## The Stouffer Report: To Cut or Not to Cut, Part One

It will probably come as no surprise to anyone that the budget will be the number one priority of the Missouri Legislature when the Second Regular Session of the 95<sup>th</sup> General Assembly convenes in January. The real question will be: What is the best way to spend the hard-earned money of the Missouri taxpayer?

The Show-Me State could wind up somewhere between \$500 million and \$1 billion behind budget projections by fiscal year 2011, which will start on July 1, 2010. As I mentioned in a previous column, the governor has already withheld roughly \$600 million of the \$23 billion in the current (fiscal year 2010) budget. No sooner did he make the latest round of cuts, which total \$204 million, then the state budget office told us revenues are coming in around 10 percent under where they were last year.

Now come the hard decisions. Even with whatever federal stimulus money is still coming to Missouri, we have to start budgeting intelligently. However, we also have to keep in mind that there are programs that have been around for a while that can do some good. This is where the balancing act comes in to play.

In 1911, the state started the "Mother's Aid Law," which is the first-ever welfare plan. This went on to become the aid to families with dependent



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children (AFDC) program that eventually was replaced by the Personal Responsibility Work Opportunity Reconciliation Act of 1996 (PRWORA). You may recall, this federal legislation was termed "the end of welfare as we know it" by most of the folks in Washington, D.C. This bill created the block grant assistance plan we now know as Temporary Assistance for Needy Families (TANF), which we simply call temporary assistance in Missouri. One of the big points in TANF is eligible recipients must either be working or be in job training to get the help.



As a way to cut TANF fraud, I introduced <u>Senate Bill 73</u> last session. The bill would have required testing if it were believed a recipient were on drugs. Unfortunately, the bill went nowhere, but I believe it points to the need to curb fraud and abuse in our system as a way to save money.

So, here we stand, with the first Senate budget hearings on the horizon, a possible gap in revenues versus spending and the need to balance needs versus wants. While Missouri is in relatively good financial shape, we also must realize we will have to cut back just like many Missouri families have done. This means taking a look at where we are spending the most funds first and looking for ways to save funds. I pray we make the right decisions as we move into a new year.

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.