

For Immediate Release

January 29, 2009

SHARING A VIEW OF THE STATE

Issues and Comments – 33rd Senatorial District

Senator

Chuck Purgason

This week as Governor Nixon was delivering his State of the State Address to the General Assembly and the citizens of Missouri, the worst ice storm in many years was putting a bull's eye on southern Missouri. As you know, the storm created widespread power outages, service interruptions, impassable roads and generally miserable conditions that changed everyone's life and comfort level. And we will suffer the bad effects of this storm for months to come.

As you read this report, I surely hope that you, your family and your neighbors are safe, warm and thankful for the efforts of many, many people who work together behind the scenes and on the scene to help make life a little better.

Ice storms of this magnitude are not common; they challenge your preparation, your patience, and your pocketbook as well as change the world around you. In the meantime, there is not a government program that can put the pieces back together again.

Speaking of weathering the storm, the Governor spoke to the financial storm of recession that has put a bull's eye on our country and our state. In a confident tone, the Governor put forth the measures he would be taking in the days ahead to meet our state's constitutionally required balanced budget for the present '09 fiscal year as well as his proposed plan to balance the 2010 budget.

First, the Governor's budget proposals indicated he would be withholding over \$250 million in this year's budget from each state department including targets of \$63 million in withholds from Health, Mental Health and Social Services, \$5 million from Public Safety, \$5 million from Education and \$70 million from the Capitol Improvement budget.

Governor Nixon outlined several measures he was proposing for the 2010 budget such as cutting 1329 state employees, eliminating or cutting 50 state programs, and reviewing every tax credit program.

The Governor then put forth his spending priorities which include \$40 million for the new Caring for Missourians program, increasing tax credits for the Quality Jobs program, \$53 million to fully fund biodiesel and ethanol subsidies, free healthcare for an additional 63,000 citizens,

\$53 million for the Missouri Promise scholarship program and using the new Proposition A gambling boat money to fund the school foundation formula and school transportation formula.

In his largest spending proposal by far, the Governor proposed spending nearly \$810 million in federal stimulus funds from the Obama administration to stabilize the budget. As you know from recent history, the federal government never seems to run out of money for bailouts and stimulus packages.

I realize the Governor has made many difficult decisions to get the budget to reflect his priorities, but I am very concerned about his proposal to budget a one-time promise from the federal government that will be used for ongoing expenses. In addition, the federal stimulus money has to be borrowed or printed at the federal level on taxpayers' behalf in order to provide a stimulus of questionable benefit to states that would be better off controlling their spending. I guess I am just not ready to rely on such a huge amount of our children's inheritance to balance the state budget.

I believe Congress and the Obama administration would be better off to give each family the \$22,000 they are borrowing against every family's future instead of maxing out the public credit card. Let's face it, we are in a hole and we need to quit digging.

In the end the only ones who are going to feel better after all the bailouts and stimulus packages are the politicians and the special interest groups. Maybe politicians just don't want to ever be accused of not doing enough. I say enough already, I don't put too much confidence in governments ability to put our economy back together again.

In order to stimulate the economy, you must stimulate what runs the economy, our small businesses that employ the majority of working people in our state and our nation.

As always, I will listen to you and I welcome any suggestions you may have that will help improve the lives of the people of this district. You are welcome to contact me at 573-751-1882, write to me at Missouri Senate, 201 West Capitol Avenue, Room 420, Jefferson City, MO, or email at Chuck.Purgason@senate.mo.gov. If you would like to receive these reports electronically, please contact my office with your e-mail address.

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