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SHARING A VIEW OF THE STATE

Issues and Comments – 33rd Senatorial District

Senator

Chuck Purgason

Here We Go Again

“There is not a more important and fundamental principle in legislation, than that the ways and means ought always to face the public engagements; that our appropriations should ever go hand in hand with our promises.”

- James Madison,
speech delivered in the House of Representatives,
April 22, 1790

Recently, Governor Jay Nixon delivered the annual State of the State address to the Missouri General Assembly, the Missouri Supreme Court, Missouri Cabinet heads, and to the people of our great state.

This annual address has become the vehicle for a governor to outline his vision for Missouri and present the executive branch’s budget recommendations for the next fiscal year. It is also the event that adds definition to the agenda boundaries of each body in the legislature and the governor’s office for the current session of the General Assembly.

Last week the consensus revenue estimate (CRE) was staked out at 1% or approximately \$7.7 billion. The CRE is the amount of growth in general revenue that the state expects to collect in the next fiscal year. Once that number is determined, the House and Senate use that number as the ceiling throughout the appropriations process.

Unlike Congress, we must have a balanced budget. The state of Missouri can’t print money to satisfy unrestrained and politically motivated spending habits. To have a balanced budget, the General Assembly and the governor’s office must build a state budget at or, preferably, below that target.

Governor Nixon’s budget proposal would spend \$8.8 billion of general revenue, a number that exceeds the agreed upon CRE by \$1.1 billion, or 14% - this is not a balanced budget proposal. The governor would pay for these excessive increases with federal “stimulus” money, which I contend is federal “dependence” money, that Missouri is expected to receive which is about

\$809 million.

After four years of fiscal discipline, a budget is now being proposed that relies on significant one-time monies that may or may not materialize. Our budget difficulties earlier this decade stemmed from uncontrolled spending that relied on one-time monies. This can't be done, but politicians are often afraid of making the difficult decisions that require discipline, because they fear unpopularity. The disciplined decisions of the past four years have put Missouri in better financial position to weather this economic downturn than most states.

All budget bills must originate in the Missouri House. The Senate won't actually receive the bills to start working on them until probably early April. For the moment, the Missouri House has pounded its first stake in the ground. We will not balance our state budget on monies that may or may not come in the mail - we refuse to rely on a federal welfare check to meet the needs of our state. It may be considered good politics by some, but it is lousy fiscal policy. We can't allow the federal "stimulus" to lead us down the path to ever more federal dependency.

How out of touch with our existing economic situation can we be to accept a budget that requires a 14% increase in economic growth knowing that we average 3.5% growth in Missouri in typical years?

This is a time for restraint, a time to prioritize, and a time to drive efficiencies into the state bureaucracy. It is a time to shed the hindrances that hold back innovation and invention, a time to empower Missourians to build dreams, not sustain them where they are.

This is a time when doing what is right is far more important than doing what is popular, because what is right is not always popular and what is popular is not always right.

It seems to be the philosophy of the federal government that when your bucket is leaking, instead of fixing it, just keep pouring water in it and pray for rain.

As always, I appreciate hearing your comments, opinions and concerns. I can be reached in Jefferson City at (573)751-1882, e-mail to chuck.purgason@senate.mo.gov or regular mail at Missouri Senate, State Capitol, Room 420, Jefferson City, MO 65101.

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