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Capitol Report – March 18, 2010

This week the House budget committee began working on the governor's proposed 2011 budget. Earlier this month the governor recommended a \$500 million cut from the \$23.9 billion state budget he proposed in January, citing additional state revenue shortfalls. This year the governor has already cut more than \$850 million from the \$23.7 billion FY 2010 budget, which also included an additional \$2.6 billion in federal stimulus money.

The most recent proposed cut stems in part from the governor's uncertainty whether \$300 million in federal stimulus funding for enhanced Medicaid benefits he included in his original 2011 budget will materialize. Year-to-date revenues are also down 12.7 percent from this time last year. Our state is without doubt in a historic budget situation.

As the General Assembly's budget committees work to prepare a constitutionally-required balanced state budget by May 7, many state lawmakers are also considering ways to retool state government to assure our state's sustainability and future economic vitality. On Tuesday, March 23, Missouri's 34 senators will hold a "Work Day" for state budget ideas. Instead of debating any bills, eight Senate working groups will meet to discuss suggestions for reworking state government. Senate Leader Charlie Shields (R-St. Joseph) recently asked Missouri citizens for their ideas on how to "reboot" state government on the Senate's web site. Many ideas were culled from more than 500 emails received. These working groups will examine those ideas, ones generated in each group, and the governor's proposals for reforming and restructuring state government. Each group of senators will then submit at least five of the best ideas they agree upon to be introduced in legislation or through the budget process. I am chairing the Tax Structure working group, which also includes Sen. Brad Lager (R-Savannah), Sen. Chuck Purgason (R-Caulfield) and Sen. Robin Wright-Jones (D-St. Louis).

These unprecedented times call for unprecedented measures. By fully vetting *every* potential good idea, the Senate is taking another step to determine the best solutions for our state so that we continue to remain fiscally responsible while also meeting the vital needs of our citizens.

If you have any suggestions for rebooting state government, I encourage you to visit the Senate's web site at www.senate.mo.gov. Just click on the "Rebooting Government" icon.