

Political Fix

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Greitens wants to cut spending by \$572 million in budget proposal

By Kurt Erickson and Austin Huguelet St. Louis Post-Dispatch 1 hr ago



More than 100 people showed to meet Missouri Governor-Elect Eric Greitens during a Thank You Tour stop on Saturday, Jan. 7, 2017, at RBO PrintLogistix in Maryland Heights. Photo by Laurie Skrivan, lskrivan@post-dispatch.com

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JEFFERSON CITY • Missouri's new governor wants to cut 2 percent, or \$572 million, from the state's \$27.6 billion budget for the fiscal year beginning July 1.

Unveiling his first spending blueprint at a preschool in Nixa, Republican Eric Greitens said he is "committed to making the tough decisions necessary to bring high-paying jobs to Missouri while spending our tax dollars more wisely."

The outline would not raise taxes and would not offer raises to state workers, who are the lowest paid in the nation. It would cut 181 positions from the state workforce of about 54,700, which already is at a 20-year low after former Gov. Jay Nixon reduced 5,100 positions over the past eight years.

Although Greitens blames the federal Affordable Care Act for forcing spending reductions in the current and proposed budget, a summary shows he would spend about \$130 million more in state funds in the department that oversees Medicaid funding.

And Missouri lawmakers have declined to accept an expansion of Medicaid that would have been largely paid for by the federal government, with some costs to be borne by the state.

Greitens, elected as an outsider, used the backdrop of a school for his announcement rather than unveiling his budget in a traditional speech to a joint session of the Legislature.

He continued an election-time theme of blaming lawmakers in the capital city for many of the state's ills.

"The fact is, Missouri's budget is broken," Greitens said. "For decades, insiders, special interests, lobbyists, and prior politicians have made a mess of our budget."

He said the location of his speech, south of Springfield, was chosen because of his belief that schools must not lose money despite a tight budget. The proposal generally maintains funding levels for K-12 education, but cuts programs affecting the St. Louis area, including a \$2.9 million urban teaching initiative.

State aid for school busing programs also is being slashed by \$31 million, drawing the ire of local school boards.

"The continued cuts to school transportation funding often have to be made up at the local level and that can have an impact on money available for the classroom. State revenue continues to fall short of the level needed to fully fund our public schools," said Melissa Randol, executive director of the Missouri School Board Association.

The budget proposal also reduces general revenue going to the state's two- and four-year colleges and universities by over \$159 million.

"That wasn't an easy decision," Greitens said of higher education reductions. "I'm confident this year they can tighten their belts just like the rest of us."

Paul Wagner, executive director of the Council on Public Higher Education, warned that the governor's budget could result in college tuition hikes.

"The cuts will slow our progress on keeping higher education as affordable as possible and as accessible to as many Missourians as possible. We look forward to working with the Governor and General Assembly to lessen or eliminate this cut so as to keep tuition increases and service reductions as low as possible," Wagner said in a statement.

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Said Greitens: "I don't think that we need to raise tuition on our students. I don't think that our students should be made to pay for the mistakes of our past politicians and the promises they made."

Although the governor's speech was warmly received at the school, not everyone in attendance at the event was supportive.

"I'm worried about comments the governor has made that sound like he wants Missourians to choose between providing our kids with adequate health care or education," said Lexi Amos, 34, whose 13-year-old son with a disability attended the Nixa school. "That's not a choice we should have to make."

State revenues this year have lagged behind estimates, primarily because of a slowdown in corporate income tax collections brought on by a change in law that altered how companies can pay their taxes.

Already, Greitens has reduced spending in the current fiscal year by \$146 million to keep the budget in balance.

Greitens is backing a series of legislative initiatives that he believes will create more jobs in Missouri. They include a right-to-work law that critics say will weaken unions as well as changes to the state's legal system that he hopes will ease litigation costs for businesses.

His proposal also would restore \$2.5 million that was cut by Nixon last year from the state's public defender system. And it would pay the \$12 million yearly debt payment for the Dome at America's Center, formerly the Edward Jones Dome.

The budget also would increase funding for law enforcement, including cash for bullet-proof vests and non-lethal weapons like Tasers.

He also wants to spend \$11 million to fight opioid addiction.

Greitens, who has been to Washington twice since being sworn in less than a month ago, is banking on help from the Trump administration for roads and other spending.

He's also hoping to reap some savings by investigating the state's tax credit programs.

"We are doing a complete and total review of every state tax credit program to see where that money is going," Greitens said.

The budget process now moves to the House and Senate for further debate.

"We have known for months now that this budget was going to be tight. But we are ready for the challenge and ready to get to work," said Sen. Dan Brown, R-Rolla, who chairs the Senate budget committee.

Gov. Eric Greitens budget proposal by the numbers

\$27.6 billion: Total budget for the fiscal year beginning July 1

\$5.95 billion: Aid for schools, up 4.1 percent

181: Number of employees to be cut

\$31 million: Amount of money cut from school transportation aid

\$159 million: Amount cut from higher education

\$12 million: Amount going to pay debt on Dome at America's Center

Kurt Erickson

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