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## Lawmaker: Cuts within days

### November revenue \$25M short

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A lawmaker expects the governor to announce new budget cuts in the coming days to make up for lost revenue.

The state received about \$25 million less than projected in November, according to data released Tuesday by the governor's office. The state is \$136.6 million, or 7.4 percent, short of projected revenue in the first five months of the fiscal year.

Sen. Alan Nunnelee, R-Tupelo, said the governor has cut \$172 million this year, and he expects that at least \$170 million more will need to be cut.

"I fully expect within the next few days, the governor will announce more cuts," Nunnelee, a member of the Legislative Budget Committee, said.

In a statement, the governor called cuts unavoidable but did not give a timetable for when those short-term cuts would happen or what they will be.

Laura Hipp, a spokeswoman for the governor, said Barbour is looking at the budget, trying to decide how much to cut and when.

"The sooner he makes those cuts, the easier it is for agencies to absorb them," said Cecil Brown, D-Jackson. "I'm sure most of them know the cuts are coming. The more information he gives people, the more time they have to react."

Nunnelee predicted the governor would cut everything he legally can before turning to the Legislature.

State law allows the governor to cut each agency budget up to 5 percent, but after that he has to cut all agencies across the board evenly.

The governor wants this statute changed to allow him more flexibility.

Brown, who also serves on the Legislative Budget Committee and is a former state fiscal officer, opposes giving the governor more authority because the governor can call a special legislative session for lawmakers to adjust the budget.

Nunnelee supports giving the governor the ability to cut deeper than 5 percent for a couple of years.

He said the governor's authority would be limited because of several federal judges' orders, such as the Ayers college discrimination case, educational interests, departments of Human Services and Rehabilitative Services, and the state's debt.

The Legislative Budget Committee is scheduled to release its budget on Dec. 15.

The governor last month released his proposed budget for the upcoming fiscal year, which included controversial ideas, including merging agencies and some universities.

Sen. Doug Davis, R-Hernando, said it's too early to take any idea off the table.

This time a year ago, lawmakers were trying to understand how the federal stimulus package would benefit the state, Davis said. This year, they're faced with deciding on short-term budget cuts and life after the stimulus money disappears.

There's been talk nationally that the recession has eased or has even ended, but the state's revenue collections paint a different picture.

So far this year, the state has collected \$167.8 million less in tax revenue than it did by this time last year, Kathy Waterbury, spokeswoman for the state Tax Commission said.

The majority, \$91.6 million, is in sales tax, indicating a slowdown in consumer spending.

Nunnelee said many Mississippi families and business are doing the same thing the state is right now: trying to determine where to cut spending to balance budgets.

"Those people that have a job - even if those jobs aren't paying as much as they were earning this time a year ago (and) they have steady income - are much more hesitant to spend than they were even a year ago," Nunnelee said.

## Additional Facts

PDF: Efficiency and effectiveness report

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