

Fiscal conservatives seek more state budget cuts

By **Chuck Lindell**

AMERICAN-STATESMAN STAFF

An improving economy may be lifting some pressure from a strained state budget, but an influential coalition of fiscal conservatives gathered Tuesday at the Capitol to press for additional cuts to government spending.

Much of the \$15 billion in budget cuts implemented during last year's contentious legislative session were one-time accounting gimmicks that are no longer available and merely delayed costs until the next budget fight begins in the 2013 session, said Talmadge Heflin, a former state representative and fiscal policy director for the Texas Public Policy Foundation.

Legislators must begin working now, he said, to form a smaller government that requires no new tax money or other revenue.

"We've been looking at writing the budget, at funding state government, as a math issue. And now is the time when we have to start looking at it as a governance issue," Heflin said.

The coalition, Texans for a Conservative Budget, worked during last year's budget debate to fight tax increases and keep the state's rainy day fund intact amid a massive budget shortfall due largely to the economic recession.

This time around, the coalition is recommending that state agencies, colleges and universities cut at least 3 percent from their 2013 budgets, estimated to save \$1.1 billion, and 7 percent from their 2014-15 budgets for savings of \$8 billion to \$10 billion.

Some recommendations were broad: cut overregulation, reduce social-welfare spending, shift transportation money from rail to other congestion-relieving projects.

Specific cuts were suggested as well, such as eliminating funding for eight agencies, offices or boards, including the Commission on the Arts and Texas Historical Commission, with essential services shifted to other agencies.

The coalition also suggested eliminating two economic-development funds prized by Gov. Rick Perry: the Texas Enterprise Fund and Emerging Technology Fund.

Budget writers must examine every state agency with only one question in mind, said Julie Drenner with the Heartland Institute, another coalition member: "Do I reform it, or do I eliminate it?"

Dick Lavine, senior fiscal analyst for the Center for Public Policy Priorities, which advocates for low-income Texans, said the coalition is proposing cuts that ignore the needs of a fast-growing population.

"They're trying to starve the future," Lavine said. "We need to focus on things like investments in education that are going to pay off big-time for us — if we are willing to make the investments now. We will make back that investment many times over in terms of a more prosperous state and a more skilled workforce."

Texans for a Conservative Budget was successful last year in persuading legislators to pass a two-year state budget that did not raise taxes or tap the rainy day fund to meet shortfalls in the 2012-13 budget.

Expecting the budget fight to be even more intense in the 2013 legislative session that begins in January, the coalition re-formed this spring to offer Tuesday's broad outline of budget priorities, with more specific recommendations expected in the coming months, said Arlene Wohlgemuth, executive director of the Texas Public Policy Foundation.

Michael Quinn Sullivan with Texans for Fiscal Responsibility, another coalition member, said failing to heed the call for cuts could jeopardize legislators' election hopes. "Raising taxes and seeking new revenue sources is off the table for Texas taxpayers and voters, and so it needs to be also for lawmakers," he said.

The coalition also includes American Majority, Americans for Prosperity and Americans for Tax Reform.

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