

## **State Representative Peggy Scott**

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### **NEWS COLUMN SESSION ENDS BUT BUDGET DEFICIT REMAINS**

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By Peggy Scott  
State Representative

Four days before the Constitutional Adjournment deadline Governor Pawlenty announced that he would not call a special session. He said he would use his veto pen to bring the budget down to size. The Legislature passed a budget that spent \$34 billion, while knowing full well there was only \$31 billion in the state checkbook to pay for it all. I am disappointed the Legislature did not make a better attempt to prioritize spending on the programs that are necessary.

We missed a great opportunity to reform how the government works on every level. I was hopeful we could have consolidated similar programs and make government work more efficiently. One such area could have been Health and Human Services. This area represents the fastest growing portion of the state budget. It is on track to double since 2006. There are many duplicative programs such as GAMC, MnCare, MFIP and EBT that could have been combined to save state dollars.

Because there was no balanced budget passed, it is now up to the Governor to unallot funding in order to eliminate the budget deficit. Unallotment is a tool given to governors that allows them to reduce spending in the current budget in order to prevent a deficit. The governor can use unallotment when the state's revenues cannot keep up with the spending approved by the Legislature. For example, last December revenues were \$426 million short, so Governor Pawlenty used unallotment to reduce spending and keep the budget balanced.

Governor Pawlenty indicated that he will announce what spending he plans to unallot sometime in June. However, that does not mean spending will immediately go away. No unallotment can take place prior to July 1, 2009. The governor can also choose to delay unallotments until 2010. For example, he can choose to keep spending on a certain program in 2009, but eliminate it in 2010.

The Governor would like to hear from you about your ideas on the unallotment process. Do you think there are programs the governor should unallot? Do you think some budget areas should be protected from unallotment? You can email your thoughts to [budgetideas@state.mn.us](mailto:budgetideas@state.mn.us).

The Legislature will reconvene in February 2010. Any unallotment scheduled and carried out prior to then can be restored if the Legislature chooses to fund it. The Legislature can also prevent future scheduled unallotments by passing a new budget that is balanced.

Between now and then I will do my best to continue to keep you informed about the unallotment process and other happenings surrounding state government. As always, please do not hesitate to contact my office if you have any questions or concerns on legislative issues.