

## **Agencies asked to do without 3 percent**

### **Dems object to being left out of the planning**

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The special session of the state legislature on Thursday and Friday witnessed the good, the bad and the ugly as it strived to ensure the state stays in the red in 2009.

The goal as outlined early Thursday morning at the executive appropriations committee, was to eliminate \$273 million from the 2009 budget, plus a \$81.5 million shortfall in the 2008 budget caused by declining revenue due to a slowing economy.

The plan, proposed by Sen. Lyle Hillyard, was to take \$75 million from public education, with all of that filled back in from one-time sources. \$30 million of ongoing revenue would be taken from building projects, backfilled with one-time sources. \$15 million from capital improvements by decreasing a 1.1 percent allotment back to its original .9 percent. A controversial \$18 million was to come from repealing a bill supported by the governor. Lastly, \$35 million of ongoing money would be taken from transportation, to be backfilled.

Because extra money held by the legislature for just this situation could be used to backfill these reductions, the impact of the shortfall was forestalled until 2010.

The most impactful adjustment proposed Thursday was to be a \$100 million cut through a 4 percent across-the-board reduction in agency funding, with 1 percent filled back in from one-time sources.

This 3 percent cut needed to be taken from agencies that serve the public or pass funding on to special programs.

Many agencies were requested to make larger than 3 percent cuts since the \$81.5 million shortfall for 2008 needed to be accounted for.

Senators Hillyard and Curt Bramble tried to spur positive thinking by reminding lawmakers that this money should not have been allocated last January, and had they waited until January 2009, the budget cuts would have been much worse.

Senate Minority Leader Brad King expressed frustration that the strategy was decided for the lawmakers instead of developed through a democratic process in which alternative strategies could have been considered.

"I have discomfort at not being able to look at this earlier and examine alternatives," he said.

"It's like putting a gigantic puzzle together," said Hillyard.

Bramble reminded subcommittee chairs and co-chairs that time was short and the decisions would be made for them if consensus wasn't reached in time.

"We're on a pretty tight time frame," he said. "That's not meant to threaten, but we're required by law to balance the budget."

On Thursday Hillyard warned the senate that public education would probably face a 3 percent reduction when the legislature meets in normal session in January. He also asked the committees to find ways to reduce the higher education budget without requiring a rise in tuition to pay for it.

He also called for mercy on the transportation budget which is already \$35 million short due to shortfalls in the gas tax caused by residents driving less.

Hillyard said this was the third time he'd been through this process and acknowledged that it wasn't easy.

"If you're not done by Friday afternoon, take your phone off the hook because you're going to be getting calls," he promised.

Advocates for the poor and uninsured spoke after the floor meetings pointing out that the slowing economy which caused the shortfalls has hit the demographics they serve the most.

The Utah Health Policy Project asked the legislature to hold Medicaid and other programs harmless as was promised to education.

Karen Silver from Salt Lake Community Action Program said the food banks have been getting more first-time users in the past two years.

"The need has been escalating," she said.

Tensions began forming in subcommittees as agencies were given the opportunity to respond to the requested budget cuts. Despite the pleas of health care advocates, the departments of health and human services were asked to cut 3 percent like everyone else.

Higher education officials bristled at the amounts initially requested.

"There are not a lot of little pots of money sitting around," said commissioner of higher education William Sederburg. "You're asking us to hand back 80 percent of what was given us in July. That's not very fair or academically possible."

Approximately \$75,000 was requested from state sports programs, \$120,000 from the motion picture incentive fund and approximately \$365,000 from business creation, growth and recruitment.

\$110,000 was requested from arts and museum programs including grant money.

The subcommittee over natural resource appropriations was relatively relaxed and somewhat jovial. Cuts in programs targeting farmers and ranchers may affect Summit County businesses, mused Sterling Banks, USU extension agent. But most of the cuts were to travel budgets for officials from the different agencies.

Transportation was discussed with little emotion. Governor Jon Huntsman, Jr. had requested the transportation budget be largely left alone, since officials had already had to make up for budget shortfalls previously, and many road projects were already underway.

It was proposed that money taken from the budget be covered by bonds.

Negotiations began Thursday afternoon on the more controversial cuts and all final decisions and votes were made Friday.