

LEGISLATIVE FISCAL OFFICE

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JOINT COMMITTEE ON WAYS AND MEANS

SEN. MARGARET CARTER, CO-CHAIR
REP. PETER BUCKLEY, CO-CHAIR

SEN. BETSY JOHNSON, VICE-CHAIR
REP. NANCY NATHANSON, VICE-CHAIR

Budget Reduction Review Principles

Due to the rapidly worsening economic situation and the steep decline in projected revenues, the 75th Legislative Assembly is faced with the undesirable task of rebalancing the current 2007-09 biennial budget prior to making final decisions on the budget for the next two year period, the 2009-11 biennium.

In order to guide the Joint Committee on Ways and Means through this challenging process, the Co-Chairs of the Committee developed the following principles:

- To the greatest extent possible, focus on the impacts of decisions on the economy, jobs, and safe communities.
- Place human safety issues first by minimizing reductions that would significantly endanger seniors, children, and the disabled.
- Maximize the use of federal dollars wherever possible, including any receipts from the pending federal economic stimulus package.
- Limit damage to education as much as possible in recognition that local school districts have few options to reduce expenditures at this point in the school year outside of eliminating school days, and that community colleges and higher education can generally only eliminate courses to adjust to larger current biennium cuts.
- Keep in mind the cost shift from one agency to others when reductions are made, such as reductions in in-home care leading to increased costs in assisted living and nursing homes, as one example.
- Recognize the long-term costs of dismantling vital programs knowing that those programs will need to be rebuilt at some point in the future.