

Title: **State spending: Reality verses rhetoric**

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State spending: Reality verses rhetoric

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Statehouse politicians love to wax eloquent about the dangers of spending too much money on non-essential services – right before spending too much money on non-essential services.

You could pick on a great number of lawmakers for this, but let's pick on Rep. Brian White, chairman of the House Ways and Means committee.

Recently, for example, White argued against including tax "offsets" in the gas tax bill (now a law) because last year's budget had a \$15 million shortfall at the end of the year.

Earlier this year, he argued similarly that this same kind of thinking had gotten the state pension system \$24 billion in the hole.

The economy is due for another recession, he contended – rightly – and so policymakers had to stop

spending every dime available to them, every year.

And yet, and yet.

Consider H.3722, a bond bill drawn up by White and the Ways and Means committee. State agencies requested over \$2.6 billion for bond funding this year. These bond requests included renovations for rest areas by the DOT, galleries by the State Museum Commission, and the USC law school. The House adjourned debate on the bill and, according to White, will take it up again in January.

Or take a look at the pension reform bill, which passed into law earlier this month. It was co-sponsored by White. The bill raises employee contributions slightly, slightly adjusts the assumed rate of return from a hopelessly ambitious 7.5 percent to an almost as hopelessly ambitious 7.25 percent, but it raises the employer contribution – that is, your contribution, the taxpayer's –

substantially.

Again, instead of taking on this debt problem head-on – the pension system has liabilities of at least \$20 billion and almost certainly more than that – White and company chose to throw more public money at it. In other words, deal with debt by spending more.

And there's the state budget. That bill hasn't passed yet, but there is no indication that lawmakers will refrain from spending every last dime the state takes in. Whether they spend it on rest areas and galleries, or on tourism marketing or some other program with no track record of success, every one of the 25 billion or so dollars that flows through Columbia will get spent.

And next year, we'll go back to the same rhetoric – how the state shouldn't spend more than it has ...

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