Cut government spending

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With 49 states, whose income tax rates vary from zero to 10%, facing budget deficits of varying size, it's clear that low tax rates are not the single cause of budget shortfalls. The real culprit is the creation of unsustainable spending programs, such as entitlements and overly generous public employee compensation, during flush times.

When there are smaller profits and less income to tax, as happens during a recession, tax revenue decreases no matter what the tax rates are; a deficit follows. It's nonsense to calculate state revenue lost by lower tax rates during a recession based on prerecession income numbers.

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California, New York and New Jersey have the highest tax rates in the country -- and the highest deficits as a percentage of revenue. The three states share three of the five lowest levels of economic performance, according to the Cato Institute.

Three of the highest ranking performers -- Texas, Tennessee and Florida -- have no income tax. All three have budget deficits, but they are manageable. Texas has $9 million in a "rainy day" fund -- the kind of money California squandered during the boom times.

Grow the economy with business-friendly policies and rein in government spending; the budget numbers will become reasonable again.

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