Deseret News

Reining in state growth

Published: Saturday, Feb. 19, 2011 12:00 a.m. MST

Utah may be among the nation's best managed states, and it may be poised to move forward in a recovering economy while many other states are in a prolonged crisis, but that doesn't mean the Beehive State couldn't benefit from some better rules.

Rep. Carl Wimmer, R-Herriman, is sponsoring HJR37, which would limit the state's budget each year to the previous year's expenditures, with increases granted only for population growth and inflation. Any surplus funds would automatically go to the Rainy Day and emergency funds, and anything left over after those funds reached their statutory limits would have to be returned to the taxpayers.

In addition, this joint resolution would require the state to reduce its budget any time it passes on a requirement to a city, county or other political subdivision, putting an end to unfunded mandates that end up costing taxpayers twice as much while confusing the public, which tends to blame local government leaders for having to increase their share of taxes.

The bill would allow the state to override these restrictions with a two-thirds vote of the Legislature and a signature by the governor, thus imposing the super-majority threshold for tax increases that have worked in some other states.

We can already imagine the argument against such a thing. Public schools, in particular, will argue that their growth in enrollments demands an ever-greater share of resources as an investment in the state's future. Others will argue that highway construction, mass transit and other infrastructure needs can't be satisfied in such a fiscal straight-jacket. Programs for the poor and needy also feel perpetually short-changed, and corrections has growing needs.

In truth, there is no end to the claims that could be made against state taxpayers, and yet the most recent fiscal crisis ought to be a wake-up call for all in Utah. The state managed better than most, but it still had a rough time dealing with structural deficits and funding ongoing needs.

At the start of the crisis in 2008, the CATO Institute issued a report card that noted Utah's government spending per capita had risen at about 10 percent during the tenure of then-Gov. Jon Huntsman Jr. Other reports raised similar concerns about spending during the administrations of previous governors. A Heritage Foundation report published just before the downturn noted that state and local governments were beginning to assume a larger share of all tax revenues when compared against the federal government.

This growth during good times undoubtedly led to some misery during the bad.

Utah already has a similar law in place to control the growth of cities, counties and other local governments. That law is even more restrictive, as it doesn't allow for inflation. But a recent Utah Foundation report found that this law has succeeded in keeping spending by those governments under control.

More than ever, governments of all sizes need to rein in spending. This bill would be a good step in that direction.

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