

February 5, 2010

Week 4

Greetings from Annapolis,

Facts being what they are, in one instance this week, I saw proof that our lawmakers are beginning to get religion about government spending. Every four years, the Maryland Constitution provides for compensation review commissions to evaluate the salaries and benefits of the Governor, Lt. Governor, Legislature and the Constitutional Officers (Treasurer, Comptroller, Attorney General and Secretary of State). HJ-3 and HJ-5 are the means that the legislature uses to either implement or change the recommendations for all but the Constitutional Officers. (The recommendations for these folks are dealt with in HB 184.) The commissions all recommended an increase in pay for the Governor, Lt. Governor, Comptroller, Treasurer, Attorney General, Secretary of State and General Assembly, only partially considering the economic real challenges we are facing, by deferring any increase until 2013 and 2014. Reacting to the current economic crisis and reacting to the voice of the people about overspending, the Appropriations Committee specifically acted to reject those recommendations and have no pay increases for the next four years. The full legislature will act on this next week. This was a good day for Marylander taxpayers!

I am still a bit confused by the State of the State speech. I watched it "live" and then watched it again on PBS, I read his speech word-for-word, and even looked over the talking points. I still came up with the same question. Which State was he actually referring to? He talked about fiscal responsibility and making the tough choices to weather this severe economic storm better than most States. He spoke about shrinking revenues, yet spending remains level. I heard nothing about our enormous deficit, our unemployment insurance issue, the foreclosure crisis, and our unhealthy business climate, just to name a few. What I did hear was playing the blame game with mortgage companies and patting himself on the back for growing the government. The speech was punched up with platitudes and promises that lacked substance. His efforts to help small businesses with a tax credit for hiring the unemployed mimicked the rhetoric from the State of the Union, once again deferring to Washington leadership to drive Maryland policy.

Fortunately, the loyal opposition rebuttal, given by Senator Allan Kittleman, to the State of the State was a bit more realistic. His common-sense reforms actually addressed ways to solve our deficit and encourage job growth. He clearly illustrates how this spending more mentality will not. The Senator enumerated approaches to limit government, by cutting taxes, encouraging small business, and simply getting government out of the way and letting the private sector and families succeed. The two speeches clearly delineated the gulf between "the government must do everything" and the "give us our freedom and we will grow the economy" mindsets.

Since I spend most of my time on the State budget, I am asking again for your input about how we should and should not spend YOUR money. Please let me know where

you think we should suggest cuts. As it stands, the budget is setting us up for massive tax increases after the next election. I look forward to your comments.

Serving you in Annapolis,

Gail Bates