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Begin at zero with budget

All Texans will benefit by the recently announced decision of the state's top leadership to craft the budget starting at zero, according to Texas' only free-market think tank.

"It's been said that nothing is as certain as death and taxes, but the decision of Governor Perry, Lieutenant Governor Dewhurst and Speaker Craddick to reexamine the state's budget starting from zero means the death of tax-increase talk," said Michael Quinn Sullivan, director of media and government relations for the Texas Public Policy Foundation. "It's certainly not a quick-fix, and it won't answer every budget concern, but this common-sense method of budgeting will give added reassurance to all Texans that our tax dollars are being spent even more wisely than in the past."

The announcement was made by the Governor last Friday as he presented his proposed budget for the 2004-2005 biennium.

Mr. Sullivan said the Foundation maintains that zero-based budgeting forces greater spending accountability on elected and appointed officials. Projections that the state will have approximately \$7.4 billion less to spend in the next biennium than the current budget makes it all the more critical that legislators find every cost-saving opportunity possible, he added.

"Zero-based budgeting puts everything on the table; every program, every agency, every commission. Agency and commission heads will now have to justify the first dollar of spending, rather than simply expect ever-increasing rates of expansion. In tough economic times, state spenders - just like individuals - must carefully account for every dollar that comes in and goes out. The taxpayer simply cannot afford any more taxes - whether levied directly on the individual or indirectly through higher prices when business taxes are raised."

Under the state's current budget system, agencies are allocated "lump sums" that cover both program and administrative costs. Under the plan presented by the

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governor last week, legislators and citizens will be able to more carefully scrutinize how tax money is spent.

"Texans demand open government, including a more transparent budget process," said Mr. Sullivan. Texans deserve to know how their money is being spent, from the first dollar to the last. The Governor, Lieutenant Governor and Speakers should be congratulated for taking these steps to ensure that ours is an even more fiscally responsible state government."