

A Call to Action: Balance the Budget!

Beth Miller, Guest Columnist

On any given day, New Mexico families are evaluating their home budgets. Having a responsible budget allows them to address the necessities of life. A balanced budget tells money where to be spent, before the paycheck arrives. They earmark necessities first, and save a little each month for a ‘rainy’ day, before spending on ‘wants.’

By the same token, elected officials are charged with the same responsibility of managing taxpayers’ dollars. Just like families operating on a personal budget, Legislators must use the same bookkeeping principles – pay the bills and save for any unexpected emergency, before spending on the ‘wants.’ They must evaluate all areas of revenue against all expenditures. A balanced budget is not a restriction on spending. Rather it is a pre-written plan to make money **work for** the people. A balanced budget occurs when revenues are equal to or greater than total expenses. Irresponsible spending lays heavier burdens on the tax payers. Ronald Reagan said, *“The problem is not that people are taxed to little, the problem is that government spends to much.”* For that reason, accountability, transparency, and sound fiscal policies must be in place.

It is estimated that there will be between \$500M and \$1B short in the general fund for the upcoming cycle. This deficit cripples New Mexico’s ability to rebuild a robust economy. Sound judgment and common sense must prevail in order to climb out of this continuous cycle of overspending and raising taxes. Good government is the results of good fiscal policies. This overspending results in excess taxing, creating a heavier burden on the New Mexico families and businesses trying to balance their personal budget.

During the 2020 Special Session, Representative Jim Townsend expressed concern about a \$250 million spending increase proposed by the Governor’s budget. Townsend stated:

“The budget was troublesome. We’re looking at a shortfall going into 2021, and our revenue is still upside down. I think we should have trimmed more.”

Our state budget can be balanced. In years past, the state budget was balanced with ample ‘rainy day’ funds and can be balanced again, based on common sense and sound fiscal policies:

- Stop over spending. The state budget has gone from \$6.3 to 7.6 billion, an increase of 20%!
- Rebuild strong reserves.
- Overhaul the antiquated GRT.
- Eliminate one old regulation for each new one added.
- Reduce or eliminate income tax.
- Eliminate taxes on Social Security benefits on senior citizens.

Santa Fe needs to ‘streamline’ a bloated bureaucratic government that identifies areas for cost-saving, through elimination and consolidation. The objective is to reduce the size and cost of government – bottom line, cut waste making the government more efficient. A new budgeting approach designed to fund priorities will drive performance and accountability of state government.

Balancing our State’s budget is long past due. John F. Kennedy said, *“If not us, who? If not now, when?”* Do we continue the current course that has failed, or do we rise up and elect legislators with a vision for the Land of Enchantment? A new direction is needed! This is a call to action!

A good legislator makes good choices and sometimes difficult choices. “Borrowing from Peter to pay Paul” is only “kicking the can” down the road. Crafting new bills (i.e., HB 341) only prolongs the inevitable. We must choose alternative budget reform that put our families first, not special interest groups. It’s time to cut spending, shrink government, and commit ourselves to protecting taxpayer monies. Future generations are counting on us to act right now! New Mexico deserves a Fair Deal.