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State budget makers avoid analyzing cuts

Ed DeLaney

It's time for Hoosiers to insist that our elected officials are asking the right questions. The current financial crisis demands this.

As I go from door-to-door meeting with my constituents, I am constantly reminded of the critical importance of employment to all of us. Even my higher-income voters have children who have finished college and can't find a job. Those at the lower end of the financial ladder are barely hanging on. With good jobs we can afford decent housing and have reasonable hopes for our own retirement and the education of our children.

But jobs are hard to find, and the economy is dodgy. It seems clear that we are going to have to make adjustments if we want to strengthen our economic future both as individuals and as a state.

My voters are making hard choices as to their personal finances, but I'm not sure that our elected officials are prepared to engage in a real discussion that will help us make the best choices as a state. We need to discuss carefully how to make the best of a bad situation: what must be cut, what must be preserved and how to find the balance.

It would be easy to caricature most of our political debates.

Those who call themselves conservatives simply demand that the state cut its expenditures in light of the decline in revenue. Little attention is paid to how the cuts would be best made and how long they can be endured.

Those who view themselves as traditional liberals focus on the question of who will be impacted by the cuts.

The two groups talk over each other's heads, but they agree on one thing: They don't want to get into the details of deciding exactly which cuts are necessary or how to deliver critical services efficiently in a time of fiscal difficulty.

Both camps are politically astute. They stay very general lest they have to make choices some supporters won't like.

I'm a new member of the state budget committee. I have begun to look carefully at several agencies and organizations to determine the impact of the cuts that they have endured.

It is difficult to obtain this information. It appears as though the administration simply chose to cut every agency across the board with but a few exceptions. Thus, no reported or visible effort was made to determine which services are the most critical or which can best handle what we hope will be a temporary reduction. The administration has expressed anger where an agency chose to cut something that the administration likes, as if it had no responsibility.



DeLaney

Judicious cuts

I have never worked for any organization that could simply cut across the board in times of financial difficulty. It has been my uniform experience that effective leaders will choose to cut the least important services and/or those that can suffer a temporary cut well.

Indiana appears to have cut only a few groups more than 15 percent. Public television is one example. It appears to be out of favor.

The poverty of our political discourse and the failure to discuss the third group of questions (how to make the best of a bad situation) has been highlighted in two recent discussions. These dealt with the critical questions of Indiana's adaptation to the new federal health care law and whether we can find savings in the cost of health insurance purchased for school district employees.

The administration has basically taken the view that the federal health care law is unacceptable across the board and apparently wishes it would simply go away. Yet the same law provides incentives to states that find creative solutions to the cost of health care and gives us opportunities to set up our own insurance exchange to help Hoosiers who might not be able to get insurance through their employers.

I recently was stunned to learn that we are not making the effort to apply for all the grants available to Indiana under the new health care law. We can hardly benefit from opportunities if all we do is to choose to complain.

We've also recently been exposed to the fact that having some 270 school districts negotiate their own health insurance contracts is proving costly. That shouldn't be a shock to anyone.

Unfortunately, the first group, the conservatives, talks only of how much we must cut while the more traditional liberals talk only of feared reductions in benefits. Only passing mention is made of the difficult choices we face: Do we want to lay off teachers to preserve the current benefit structure with all of its attendant costs? If we are to put teachers on the state health insurance plan, is that plan adequate as designed? Can we continue to complain about the new federal health care law and not plan to implement it and perhaps even benefit from it?

These latter questions are the difficult questions. They resemble the choices parents, those planning retirement and our employers are facing every day. I'm tired of avoiding these questions at the Statehouse.

The people I see at their front doors want me to face these questions. They want to know where we can save and where we must spend and how to get the best balance under the current circumstances. I suggest that we all get down to work.

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