



## Grim fairy tales shouldn't fool Kentuckians

By Jim Waters

My young daughters ensure that I'm intimately familiar with the movie "Chicken Little" by making me watch it over and over. This qualifies me to conclude that Gov. Steve Beshear offered a pretty good sequel with his "the-sky-is-falling" speech last week.

In what amounted to a less-than-subtle push to get a casino amendment passed, Beshear sternly warned that the state faces "an unprecedented crisis" – a \$434-million deficit. Since the Fletcher administration left a \$145-million surplus, the immediate deficit stands at \$289 million.

In Chicken-Little fashion – less the feathers – Beshear effectively got everyone riled up. But like the bird, he runs the risk of taxpayers quickly turning on him when they discover the sky really isn't falling and that some spending restraint in Frankfort could solve the deficit problem now and in the future.

Chicken Little's vivid imagination brought on the scare – much like the vivid imagination of politicians. They would have Kentuckians believe that generating more revenue would satisfy government's bloated appetite for spending and the sky would remain heavenly – and above us.

So, let's take a closer look at that \$434-million shortfall:

- Some \$166 million is a result of state agencies spending more than their budgets allowed.
- An additional \$138 million goes to projects approved by the General Assembly, which didn't bother to figure out where the money would come from to pay for the projects, including a payoff to the Ford Motor Co. to stay in Louisville.
- Only \$130 million of the deficit gets attributed to less-than-expected revenue.

Get the picture? If agencies spent within their budgets and politicians stopped using the taxpayers to ensure their re-election through pork-barrel projects, leftover cash from the Fletcher administration could have covered revenue shortages.

Budget director Mary Lassiter offered her version of the-sky-is-falling mantra by calling the year ahead the "toughest budget challenge" she's encountered in her 24 years of handling tax money.

She's done it for 24 years and wants us to trust that she knows how to provide a path through this fiscal wilderness. This doesn't make me feel any better. In fact, it gets me thinking about the "Hansel and Gretel" story: The professional bureaucrat following to safety a trail laden with pork and impractical spending.

Now enter the "Goose with the Golden Egg" – Beshear's plan to create more revenues by building casinos. But Kentuckians gambling away their money doesn't provide a viable long-term answer to the

state's money problems.

Expanding gambling may “bring in” \$500 million in annual revenue, as the governor claims. But what about the costs?

How much will it cost to oversee, regulate and collect from gambling operations? And what about the social costs? The governor's plan assumes none of these costs. Yet, even leading members of his party disagree.

Otherwise, why would Sen. Julian Carroll, the self-anointed leader of the Big Government Caucus in Frankfort, file a bill that would create a tax-supported fund to help compulsive gamblers?

Plug this into the Logic Meter and see how it fares: We need to set up a checking account to assist compulsive gamblers while at the same time creating a law that expands the opportunities for Kentuckians to gamble.

I have a better idea. How about we establish a Taxpayers Anonymous support group to treat those addicted to overspending your tax dollars? The “recovery” process would include a 12-step program to help political spending addicts avoid relapses by respecting taxpayers who know better than Frankfort how to spend their money. Money saved by these addicts after they “take the cure” and re-enter the halls of government would more than pay for the program.

But I doubt if Carroll or his cronies will offer that pot of gold at the end of the rainbow anytime soon.

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