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A state spending cap now necessary

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Guest writer

South Carolina can only have an orderly, predictable and consistent growth rate in state spending by constitutionally mandating it. It cannot be accomplished on a reliable basis by hanging onto slim majorities in the Legislature and having the right governor. The political pressures are too great unless there is a constitutional bridle on the process.

That is the reason I created a task force to consider a constitutional amendment that would cap the growth in spending by the state. The first meeting of the Senate study committee on constitutionally capping state government spending is scheduled for 1 p.m. Oct. 24 in Room 105 of the Gressette Senate office building in Columbia.

There will always be more needs than revenue no matter what the economic times and the amount of available new funds. Government must, therefore, temper its conduct to spend so that over the highs and lows in revenue forecasts, the necessary revenue will be there to fund essential needs without the pressure for new taxes.

When government is flush with money, the spending goes up to fund many new initiatives — some good, some questionable and some not good. In other words, projects get funded not so much out of merit but merely because the money was available. Some one-time expenditures also occur the same way. In the face of a bountiful taxpayer buffet, government cannot control its appetite, so its stomach must be stapled.

At stake is the need to at least control the rate of growth in the recurring base. So I have introduced a constitutional amendment to cap the rate of spending of our state government. Government would be limited to growth at an amount that would not exceed the rate of population growth plus the growth in personal income. Basically, government should not grow any bigger than it needs to be or any faster than people's ability to pay for it.

I have been an ardent supporter of both Barry Goldwater and Ronald Reagan, and I believe that government is best which governs least. I also believe that as much money as possible is best left in the hands of people if we are to economically advance. If people keep more, they have greater opportunities to invest and spend so our economy will expand. It is a matter of fairness.

If there are surpluses in Columbia, these should not expand the obligation to fund a growing government but instead should be used to reduce long-term debt and obligations, fund capital projects to avoid issuing costly bonds, cover one-time costs, save and carry forward for a rainy day, and/or fund tax refunds and tax cuts.

The constitutional amendment would foster growth in the private sector, challenge legislators to prioritize spending better, seek better efficiencies in the operation of government and privatize operations where it is in the state's best interest. This will present new opportunities to create rainy-day funds, to create a more debt-free South Carolina and to replenish trust funds that too often have been tapped in lean times to fuel the insatiable appetite of government created by overspending in good times.

Finally, we all must realize that our state government, just as much as any business, has to be competitive in order to attract and retain jobs. We need to provide essential services, but we need to do it in a way that ensures excellence, efficiency and long-term cost control. Throwing dollars at an agency does not ensure that it will be better. Limiting the growth in spending ensures that the challenge for each budgeting year is to do more with what we have available rather than to spend more to get the job done.

Working together, we can give the people of South Carolina an opportunity to vote on whether they want this limitation on the growth of spending. As I said, the limitation, if adopted, would ensure our future is not one of ups and downs based on political fortunes but instead one of predictability and orderliness in the growth of South Carolina.

Mr. McConnell, a Charleston attorney and businessman, is president pro tempore of the Senate and chairs the Senate Judiciary Committee.

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