



Guide to state budget available

By Bill Byrd

Times West Virginian

FAIRMONT July 20, 2008 12:02 am

— A new guide to West Virginia's state budget is now online, made available by the West Virginia Center on Budget & Policy (WVCBP).

"We're trying to make the state budget accessible to more people," said Ted Boettner, 29, the executive director of the new non-profit, non-partisan organization.

"It is the clearest reflection of our priorities as a state. It is the one state law that makes state government function," Boettner and his small team of analysts write in the introduction to "Your Map to the State's Budget."

In the current nearly \$10 billion dollar budget, appropriations from state sources account for about 60 percent of overall spending while federal spending accounts the remaining 40 percent, the center's budget analysis shows.

Unlocking the processes that drive the budget, including comparisons to how other states collect and spend their tax revenues is done in a clear, easy-to-understand style in "Your Map."

The document is available at this online address: www.wvpolicy.org.

Boettner likes to quote Ivor F. Boiarsky, the House Speaker in 1969-1971, to explain the new policy center's mission.

The budget is an instrument of policy formation, determining the services and the level and quality of those services for every state resident, Boiarsky wrote in September 1970.

"It is the most important bill passed by the Legislature each year," Boiarsky said.

"Yet, despite its importance, the budget process is one which is really understood by only very few people in state government," the former speaker said.

The chapter headings in the center's budget guide, which also includes the center's first two analyses — one on income inequality and the other on how union membership improves wages for non-union and low-wage workers alike — reflects the center's educational approach.

Chapter One is entitled "Where the State spends money." Chapter Two is "Where the State gets its money," while Chapter Three, "A Fair and Adequate Tax System," explores how the principles of taxation are reflected in the budget.

Those principles are equality and fairness, efficiency, stability, simplicity and transparency.

The final chapter, Chapter Four, "How State Spending Works," discusses how the budget is created and illustrates the difference between appropriated funds and tax expenditures (tax exemptions). It also explains the source of appropriated funds and looks at general revenue funds, discretionary funds, federal revenue funds, state road funds, lottery funds and special revenue funds.

The state Center on Budget & Policy is affiliated with a national group, the Center on Budget & Policy Priorities (online at www.cbpp.org). It also works with the Economic Policy Institute, another Washington think-tank.

The state center has grants from the Claude Worthington Benedum Foundation in Pittsburgh, the West Virginia Affiliated Construction Trades Foundation, the Service Employees International Union Local 1199, the Sisters of Saint Joseph Charitable Fund, W.K. Kellogg Foundation of Michigan and the Greater Kanawha Valley Foundation.

The state center will focus on budget issues and tax policies as they affect “all West Virginians, especially low- and moderate-income families, other vulnerable populations, and the important community programs that serve them,” Boettner writes in the introduction to “Your Map.”

The center’s first study on tax policy, for example, found that families with average incomes between \$24,000 and \$41,000 pay 9.2 percent of their income in taxes, while those making more than \$252,000 a year pay only 6.6 percent.

“These numbers would be even more dramatic if we included capital gains income,” Boettner said.

He wants the center to take the common good as its perspective.

“We’re center-leaning,” he said, adding he wants to do as much original research as possible.

“We use primary documents as much as we can but we also look at other economic studies as well,” he said.

Research on the budget and tax issues he wants to examine is often very limited, however.

“I’ve probably looked at 50 studies on the role of taxes and economic development in rural areas and there is no consensus among economists,” he said.

He is the son of former state Sen. Si Boettner, D-Kanawha.

Boettner majored in journalism and political science at West Virginia University. This fall, he plans to defend his master’s thesis in public policy at the University of New Hampshire.

He got the idea to launch a center to study the state budget and tax policies at a conference he attended two years ago.

At the Economic Policy Institute conference, he learned there was a need for examination of how state governments were taxing and spending.

“There are now 33 groups in the entire nation that are involved in this state fiscal policy analysis initiative,” he said.

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