



Statement
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Focusing Solely on Spending in State Budget Ignores Realities Facing Kentucky Families

Statement by Terry Brooks, Executive Director, Kentucky Youth Advocates

“The Kentucky Chamber released a follow-up to their 2009 study, *the Leaky Bucket*, with an update focusing on reforming state spending in Kentucky. The Chamber provides a valuable voice on the issue and represents the business community with real power. Unfortunately, the Chamber’s report ignores the realities of what Kentucky children and families face, particularly in the wake of the recession.

While the report makes some excellent and necessary recommendations, like rebuilding the “state rainy day fund” and eliminating the structural deficit, it does so by calling for a state spending cap and ignores one of the root causes of the structural deficit -- inadequate revenue. Just as only increasing revenue is not a real solution, neither is the lopsided argument of only cutting spending. The Commonwealth needs a balanced approach that ensures efficiencies and accountability in spending, to be sure, but creates adequacy and sustainability on the revenue side of the equation as well.

A major factor in the increase in state expenditures in recent years is the exploding number of families that are struggling to make ends meet. They have turned to public programs, like food stamps, unemployment assistance, Medicaid and KCHIP, to simply get by as unemployment and family hardship remain high.

The Chamber rightly points out the importance of spending a greater portion of education funds on student performance. Reconfiguring funding streams to get resources to classrooms is a common sense and vital idea. This increases education levels of Kentucky’s children and makes the state more competitive in the future. Also, the Chamber rightly acknowledges and commends the corrections systems reforms that came out of the last session. The goals of these reforms were to save the state money by adopting sentencing reforms, reinvesting in treatment and prevention programs, and improving community corrections.

We would like to see these same goals for corrections reform expand into juvenile justice. Kentucky currently uses the most expensive and least effective approach within juvenile justice, which is locking kids up in secure detention for misbehaviors that are not crimes, like skipping school and running away from home. By focusing on prevention and improving efficiency, similar reforms can be made to reduce the use of secure detention for children.

The Chamber’s report is ripe with good ideas. But its overriding premise is simply wrong. Now is not the time to focus solely on cutting spending. Now is the time to look towards a well-rounded approach to

the situation, which must include increasing revenue. There is no question that economic development is a cornerstone for Kentucky's future but so are children and families. Unless public investments are made in the immediate, the real leaking bucket in this state is for the future of Kentucky's children and families."

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[Kentucky Youth Advocates](#) is home to the Kentucky Tax and Budget Initiative. We work to promote an adequate, sustainable and transparent budget upon which we can build strong public structures and the long-term economic vitality of the Commonwealth.