



## Report on the October 28, 2009 Public Forum

# The Kentucky State Budget: Challenges and Opportunities

Public Life Foundation of Owensboro

## Participant Survey

### Participants:

45 pre-registered  
7 no-shows  
16 walk-ups  
54 participated  
24 completed questionnaires

### Presenter:

Brigitte Ramsey, Budget Analyst  
Kentucky Youth Advocates

### Additional Sponsors:

Kentucky Youth Advocates  
Citizens for Good Government  
Wendell Ford Government Education Center  
Hager Educational Foundation  
Owensboro Museum of Science and History  
We the People Initiative

### Discussion Facilitators:

Belinda Abell  
Ed Allen  
Rodney Berry  
Bob Darling  
Don McCarty  
Kathy Olson

### Moderator:

Keith Sanders, Executive Director,  
Hager Educational Foundation

### Location:

Owensboro Museum of Science & History

### Materials developed by:

Ky. Youth Advocates  
Local Steering Committee\*

### Participants:

Belinda Abell\*  
Ed Allen\*  
Sherry Baber  
Rodney Berry\*  
Mel Bryan  
Kathryn Carter  
Martha Clark  
Larry Conder  
Bill Craig  
Bob Darling  
Larry Durrence  
Alan Englehart  
Kelley Fallon  
Joy Gray  
Becky Hagan  
Frankie Hager  
Larry Hager  
Donna Hawn  
Allen Holbrook  
Hervey Howell  
Kim Johnson  
Bill Johnson  
Bill Kelley  
Bruce Kunze  
Amy Lanham  
David Lashbrook  
Lura Locher  
Mark Maloney

Frances Maloney  
Carol Mark  
Virginia Marx  
Jim Mattingly  
Don McCarty  
Kenny McCarty  
Laura Morris  
Rich Nading  
Shelly Nichols\*  
Kathy Olson  
Brigitte Ramsey  
Jim Riney  
Forrest Roberts  
Keith Sanders\*  
Tom Shelton  
Meredith Skaggs  
Dora Smith  
Kathy Strobel\*  
Evan Taylor  
Tommy Thompson  
Dr. Gene Tice  
Larry Vick  
Nancy Whitmer  
Bruce Whitmer  
Roy Woodward  
Leo Wright  
Jim Zabek

\* steering committee

## Participants included people from many walks of life:

Accountant  
Marketing professional  
Pre-school administrator  
Retired school superintendent  
Coffee shop owner  
Attorney  
Board chair of a homeless shelter  
Retired from water and electric co.  
Volunteer for agency that fights substance abuse  
Community and technical college president  
Retired from gas transmission company  
Teacher and leader of teacher's association  
Philanthropist  
Social service administrator  
Retired engineer  
Volunteer leader of Uganda water project  
Arts administrator  
Retired high school guidance counselor  
County commissioner  
Farmer  
Aluminum plant worker  
Beekeeper  
Hospital librarian  
Public health employee  
Museum administrator  
Surveyor  
Education activist  
Manager of anti-poverty programs  
Middle school family resource center director  
Insurance agent  
Homebuilder



## Format

- |  |  |
|--|--|
| • <b>Welcome and Overview</b>  | Keith Sanders                                  |
| • <b>PowerPoint Presentation</b>   | Brigitte Ramsey                                |
| • <b>Review of Dialogue Guide:</b><br>Overview, Goals, Ground Rules  | Keith Sanders                                  |
| • <b>Review of Option 1: Decrease Expenses</b><br>What would characterize such an option?<br>Potential advantages and disadvantages<br>Small group discussion period # 1<br>Report from tables                       | Keith Sanders<br><br>Facilitators<br>Recorders |
| • <b>Review of Option 2: Increase Revenues</b><br>What would characterize such an option?<br>Potential advantages and disadvantages<br>Small group discussion period # 2<br>Report from tables                       | Keith Sanders<br><br>Facilitators<br>Recorders |
| • <b>Review of Option 3: Decrease Expenses and Increase Revenues</b><br>What would characterize such an option?<br>Potential advantages and disadvantages<br>Small group discussion period # 3<br>Report from tables | Keith Sanders<br><br>Facilitators<br>Recorders |
| • <b>Closing comments</b>  | Participants                                   |
| • <b>Questionnaire</b>   | Participants                                   |



# Executive Summary

## Citizens wrestle with state budget challenges

Following an orientation on state government finances by Kentucky Tax and Budget Initiative analyst Brigitte Ramsey, a group of local residents shared ideas and ranked their preferences for ways to balance the state budget and sustain vital services during a public forum in Owensboro on October 28.

Ramsey's presentation was supplemented by a review of strategic options for addressing state budget challenges, potential advantages and disadvantages of each option, and three small group discussion periods followed by reports from each group. The forum attracted 54 participants representing a cross-section of the community. Twenty-four of the participants submitted a questionnaire following the forum.

## Be efficient, cut spending, increase taxes responsibly

Participants acknowledged that state government should intensify efforts to be more efficient and reduce spending, but they also indicated that the financial difficulties in state government reflect more of a revenue problem (62 percent) than a spending problem (37 percent).

## Reaction to options to generate more revenue

Participants endorsed ten forms of tax increases to address state government financial challenges. The top choices\* were:

- Create a more progressive income tax (91 percent)
- Expand the tax on restaurant sales (91 percent)
- Increase income taxes (83 percent)
- Increase cigarette/tobacco taxes (79 percent)
- Tax services (79 percent)
- Increase taxes on wealthy individuals (79 percent)
- Tax soft drink sales (75 percent)

\* Participants "agreed somewhat" or "agreed strongly" with the choice

Even though the option had not been offered on the questionnaire, a tax on Internet sales was a popular suggestion.

*Note: By indicating support for these options, it should not be construed that participants endorsed raising all the different forms of taxation that were presented. Participants may have been suggesting that a reasonable plan to address state government financial challenges could be drawn from the options they support.*

## Role for state government

Participants were presented with 30 examples of current state government services. They acknowledged that 22 are vital roles for state government. These include the following (and the percent of participants who checked the item as a vital role for state government):

- Programs for abused and neglected children (96 percent)
- Health care for people/families with low incomes (92 percent)
- K-12 public education (87 percent)
- Roads, bridges and highways (87 percent)
- Air and water pollution regulation (83 percent)
- Early childhood education (79 percent)
- Public universities (75 percent)
- Community and technical colleges (71 percent)
- Programs for the elderly (71 percent)
- School nurses/immunizations (67 percent)
- Mine safety regulation (67 percent)
- Sewer/water system (67 percent)
- Substance abuse facilities and programs (62 percent)
- Facilities and programs for people with developmental disabilities (62 percent)
- Workforce training programs (62 percent)
- Youth detention facilities and programs (62 percent)
- Parole administration (62 percent)
- Programs for abused spouses (62 percent)
- Alternative education (e.g., GED, programs, KET) (58 percent)
- Adult prisons and jails (58 percent)
- Rehabilitation programs (58 percent)
- Programs for the poor/single parent families (58 percent)
- Programs for the homeless (54 percent)

The following roles for state government received less than a majority of votes. This suggests that participants would be more likely to support spending cuts in these areas:

- Home health care (46 percent)
- Nursing homes (46 percent)
- Factory farm regulation (46 percent)
- Legal service for the poor (33 percent)
- Industrial parks (33 percent)
- Economic development incentives (25 percent)

## For more information or a complete tabulation of the forum questionnaires, contact:

### **Rodney Berry, President**

Public Life Foundation of Owensboro

401 Frederica Street, B-203

Owensboro, Kentucky 42301

270/685-2652 ● [rodney.berry@plfo.org](mailto:rodney.berry@plfo.org)