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## Hard Times Spur Ideas for Change

By MONICA DAVEY

As states around the country gird for another grim budget year, more leaders have begun to talk not of nipping, not of tucking, but, in essence, of turning government upside down and starting over. Ever growing is the list of states, municipalities and agencies with blue ribbon committees aimed at reconsidering what government should be.

A lawmaker in Nebraska this year [proposed](#) the unthinkable: Cut by half, or more, the 93 counties that have made up the state for generations. Senators in Indiana, aiming to thin the tangled layers there, want to [eliminate](#) the system of more than 1,000 township boards.

And in Missouri, where lawmakers this spring took a day off for a brainstorming [session](#) on how to “reboot government,” there is talk of merging the agencies that oversee secondary and higher education, providing incentives to counties for combining services, even turning to a four-day state workweek.

But despite the longest [recession](#) since [the Great Depression](#) and predictions already of new, gaping deficits in state budgets for at least the next two years, some of the most sweeping notions for overhaul remain just that — notions. And so, as more than a dozen states grapple with next year’s budgets, most of which take effect on July 1, many experts say politicians would be wise to do more than merely contemplate significant change — and may soon have little choice.

“We can incrementally hobble and muddle through, or we can stand back and be more strategic,” said Scott D. Pattison, the executive director of the [National Association of State Budget Officers](#). “That’s the question: whether this will be the time when these ideas actually get carried out, or whether this is going to be a whole lot of reports that sit on a shelf.”

Beyond the immediate financial squeeze, political pressures are growing, too. The jobs of 37 governors are up for grabs in November, so talk of remaking government — eliminating services, merging school districts, shrinking employee costs — has become a refrain.

“We are working essentially off a 1950s, 1960s model” of government and services, said Tom Emmer, a state representative and a Republican [candidate](#) for governor in Minnesota, where lawmakers closed a nearly \$3 billion projected budget gap in May and are already anticipating a \$5 billion hole next year. Mr. Emmer voted against the current budget agreement, explaining in

an interview: “You cannot Band-Aid the Good Ship Lollipop. It’s time to completely restructure the hull.”

Perhaps, but change — especially eliminating anything — has proven to be politically fraught.

In Georgia, after the House voted to end financing for the state’s [Council](#) for the Arts, artists, musicians and dancers, some in costume, turned up in the state Capitol. In the end, the 2011 budget gave the council nearly \$790,000 — about a third of what it had received this year (and less than was needed to be ensured federal grant money) but still enough to keep it alive.

“Anytime you start changing things, you are playing with people’s hearts,” said Rich [Pahls](#), the Nebraska senator who proposed reducing the number of counties — a thought that startled those long accustomed to having their own courthouse and board of supervisors. That arrangement was designed in the days of the horse and buggy, Mr. Pahls said, not a time when, in rural Nebraska, “people will drive 100 miles to the grocery store.”

The proposal got nowhere during this year’s legislative session, but Mr. Pahls remains hopeful. “None of this can happen overnight,” he said, “but I think we’re almost on the cusp of something now — a tipping point where people are dissatisfied with the way government is working as it is.”

Scott Walker, the county executive of Milwaukee County in Wisconsin — who has, improbably enough, suggested the possibility of eliminating county government — concurs. “It’s reached the point where the public is already there,” said Mr. Walker, also a Republican [candidate](#) for governor. “Our elected officials need to be willing to take that next step.”

One problem, said Gov. [Mitch Daniels](#) of Indiana, a Republican, is that “people like hanging on to the authority they have.”

A move to abolish township boards in Indiana failed to make its way through the state legislature, and efforts to abolish the office of lieutenant governor in states like Illinois and Louisiana have gained little traction.

Certainly, there are indications that revenues to states are steadying after a long, sharp drop. But experts say the budget picture in many states will remain dark, particularly as federal stimulus money, which some places have leaned on heavily to make up deficits, disappears.

Despite the struggles, there have been some broad changes. In Hawaii, the school year was 17 days shorter than usual (though some there want to restore the old calendar next year). In Massachusetts, a pile of transportation agencies were transformed into one last year.

Other examples are found in smaller places — places where the budget crunch hit hard, like [Pewaukee](#), Wis., a city of 12,000 that found itself with a \$1.8 million deficit and the need to replace two broken-down fire trucks. Leaders there decided to close the Police Department in January and sign a contract with the local sheriff’s department.

But in a sign of how politically hazardous cutting government can be, some in town clamored to recall the mayor, Scott Klein. Instead, Mr. Klein won re-election last month over an opponent who had promised to reopen the Police Department.

Elsewhere, making over government remains a work in progress. In Missouri, lawmakers agreed to merge the state's water patrol with its highway patrol (saving about \$1 million a year) and to stop printing copies of the state's "blue book" guide to politics and statutes (saving \$1.7 million). But larger ideas will wait.

Other places may wish to look at Michigan, a state plagued by budget problems long before everywhere else. Since the early 2000s — a period Gov. Jennifer M. [Granholm](#), a Democrat, recalls as "the decade from hell" — the state has shrunk itself. It dropped a quarter of all state departments and 11,000 workers, closed 8 prisons and 10 prison camps, and drastically decreased funds for services like the arts and dental care for adults.

Much of that was accompanied by deep, loud complaint. "People have come to expect that government was going to be a certain way," Ms. Granholm said, "and we've had to press the reset button on our economy and our government."

But for those places resistant to change, still hoping to ride out the hard times for a few more years until flush budgets return, Ms. Granholm is skeptical.

"People who don't take advantage of the crisis to cross over to a new model," she said, "are wasting the crisis."