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It's time to cut big chunks from budget

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As promised in an editorial Thursday, we're going to come up with state budget items that can be cut or eliminated to help reduce the state's budget deficit, which the newest estimates put at as high as \$22 billion over the next 14 months.

We surely didn't have to do a lot of digging to get the list started. These ideas are collected from news accounts in recent weeks.

We're dismayed that the governor and the Legislature aren't showing more urgency over and discussion around potential cost-savings as the state faces its largest deficit in history with an outlook for continued declining tax revenues.

Here are the first four items:

Eliminate the Department of Information Technology, saving \$11 million a year. The DOIT was created in 1995 after a series of state computing blunders, notably a 1994 scandal involving a \$50 million DMV computer that didn't work.

But a new scandal showed the DOIT pushed ``a more than \$120 million contract with Oracle last year without verifying the need for the software," reported the San Jose Mercury News. ``[T]he department violated many of the safeguards put in place to prevent costly technology mistakes....savings from the deal were inflated by more than \$100 million."

Last Monday, Assemblyman Manny Diaz, D-San Jose, ended his sponsorship of a bill to re-authorize the DOIT. This agency, like a burned-out computer, should not be turned back on.

Turn down Gov. Davis' call for a new prison that would cost \$500 million. ``A Senate budget subcommittee stripped money intended to build California's first new prison since 1995 on Wednesday, saying the maximum-security facility is unnecessary as the state's prison population falls," reported AP. ``Subcommittee member Sen. Joseph Dunn, D-Santa Ana, said he is concerned the state can't afford a new prison while imposing massive budget cuts elsewhere."

The savings for this year actually will be only about \$1 million in pre-construction costs, but the big savings would come in future years.

Don't close five private prisons. The Davis administration believes that shifting the inmates to government-run prisons would ``save the state an estimated \$5 million a year," according to AP. But the California Taxpayers Association estimates it really would cost the state \$16 million a year. Given the governor's faulty math on the budget, we'll go with CalTax.

Make the Department of Corrections live within its budget, saving at least \$277 million. ``The California Department of Corrections has overspent its budget by \$277 million," reported the L.A. Times. ``Analysts attributed much of the overrun to personnel costs. If that is the case, the problem may only get worse in light of the new labor pact negotiated by the Davis administration and the California Correctional Peace Officers Association, one of the governor's biggest campaign contributors. The agreement, signed by Davis in January, will cost the state more than \$500 million and possibly as much as \$1 billion a year by 2006, when it takes full effect, according to legislative analysts."

The state's fiscal position should not be sacrificed to the governor's trolling for campaign cash. Total savings from these four items: at least \$305 million over the next year and \$805 million over the long run. It's a start -- watch for more ideas to come.

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