

An extra bill and a half in state revenue

On April 19, 2023, in the Indiana Statehouse in the city of Indianapolis, one-point-five billion dollars appeared out of thin air. The state revenue forecast upped its prediction of revenues for the rest of this fiscal year and the coming biennium, 2023-25, by \$1.5 billion over the prediction from last December.



LARRY DEBOER

This is just a prediction of future receipts from state sales and income taxes, gaming revenues, interest earnings and other sources. But it's a prediction with consequences. The General Assembly passed the state budget through June 2025 based on this prediction.

The budget is a plan for future spending and taxing. Legislators could plan to spend more, or tax less, than they thought just two weeks ago.

The revenue forecast has two steps. The state hires a consulting firm, S&P Global, to provide predictions of Indiana income, retail sales, corporate profits, and many other economic indicators. Those numbers are turned over to the forecast technical committee, made up of staff from both houses, both parties and the governor's office. They develop equations that relate the economic data to Indiana revenues, based on historic trends. They run the forecast numbers through the equations, and out pop revenue predictions for the next two-plus years. The State Budget Agency documents the whole process on its website, in.gov/sba.

There was a forecast last December, to provide a starting point for the budget process. Then, in mid-April, the forecast was updated to account for the latest economic and revenue information. They raised the forecast for the rest of this fiscal year by \$386 million. The forecast for fiscal 2024 increased \$579 million, and for fiscal 2025 the increase was \$540 million. The total is just over \$1.5 billion.

What happened between December and now? Expectations for the U.S. and Indiana economies have improved from what was thought only five months ago. In December the forecast put the Indiana unemployment rate for 2023 at 4.0 percent. As of February, the actual rate was at 3.1 percent. The April forecast revised the 2023 unemployment prediction down to 3.3 percent. More employment means more wages. The 2023 wage growth forecast rose from 4.5 percent in December to 5.4 percent in April. More wages makes for more income tax revenue. Predicted individual income taxes are up by \$580 million through 2025.

The forecast of corporate income taxes is based on Indiana gross state product and the S&P 500 stock index. The prediction of the stock index for 2023 dropped a little from December to April but was higher for 2024 and 2025. In December, Indiana GSP had been expected to fall a tenth of a point in 2023; now it's expected to grow 0.3 percent. Growth rates are predicted higher in 2024 and 2025 too. So, the corporate income tax forecast rose a little for 2023, but by a lot more in 2024 and 2025. That added \$446 million to predicted revenues overall.

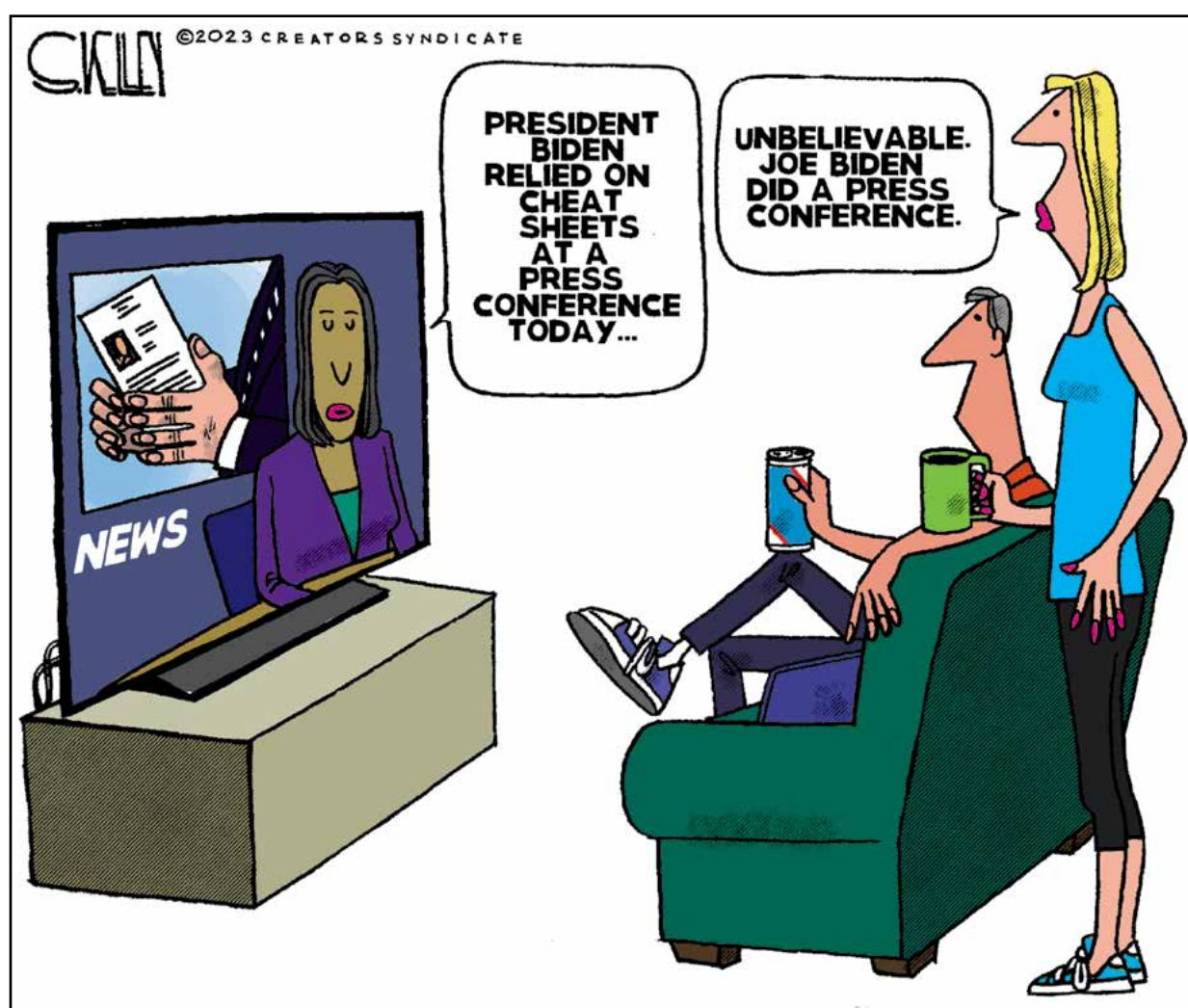
Lower unemployment, higher wages, more state output and rising stock values are good news. Higher inflation, not so much. But the sales tax is applied to the prices of taxable goods and (a few) services, so higher prices produce more sales tax revenue. As of March, actual sales tax collections were up 6.3 percent over the year before, the highest growth among the major taxes.

Inflation is coming down, but not as fast as the December forecast expected. The April forecast revised future inflation upward. That adds sales tax revenue. Higher wage growth also allows more purchases, even at higher prices. That contributes to added sales taxes too. The April forecast revised sales tax revenue upward by a total of \$250 million.

The upward revisions of individual income, corporate income and sales taxes add up to about \$1.3 billion. Most of the remainder comes from added interest income on state balances. Interest rates are expected to rise more as the Federal Reserve continues to battle inflation.

More money at the last minute is always welcome. That debate about whether to fund this program or that one? Hey, we can do both! But what of those who expect bad times ahead? They'll say, let's keep the money in reserve, just in case.

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Letter to the Editor

Parents must protect their children

To the Editor:
John Stevens, a former educator and teacher union president, has directed several accusations toward me in recent months.

Given his background and rudeness, I have no expectation of honesty from him and won't address him.

Guys like John Stevens and Steve Garbacz are allies of the woke. As time progresses, the woke expose themselves despite the best efforts of their media allies.

Wokeness is a state-imposed, anti-white racist cult. It is an invasive belief system forced upon the populace as indisputable fact.

The Biden administration is violating the separation of religion and state principle through implementation of wokeness throughout American institutions. Wokeness is the de-facto State cult.

Parents have the responsibility before God to be faithful interpreters of the world and to guide and protect their children.

They trusted public schools wouldn't interfere with parental instruction on matters of faith.

No more. Public schools indoctrinate students into wokeness.

An insider tells me East Noble administration won't resist woke indoctrination, either.

Why? ENSC fears outside influencers like Biden's administration, Indiana Department of Education, Indiana State Teacher Association (ISTA), woke parents and, especially, the ACLU.

Actions by Indiana school administrators against conservative teachers indicates

they have little desire to confront wokeness anyways.

John Kluge, a Christian, reached an agreement with Brownsburg High School administration to use students' last names to avoid conscience issues with preferred pronouns. He was later pressured to resign after the administration reneged upon the agreement under activist pressure.

Were teacher unions outraged over this?

Teacher unions supply the Democrat party with campaign donations and protect worthless, incompetent teachers. They promote wokeness. They don't care about conservative teachers.

I recommend the Youtube video "The Biggest Bully in Schools: Why Public Education is Failing" for an exposé of teacher unions.

"Fox News Features Accuracy in Media's Indiana CRT Investigation" is worth a watch, too. It exposes Goshen Community School's attempt to mislead parents and the public about woke curriculum through deceptive communication.

I have been told the state legislature is not seriously combatting wokeness and gender ideology in education, either.

Todd Huston, Speaker of the Indiana House of Representatives and nominal Republican, appoints committee chairs.

Let's suppose he appoints a compromised nominal Republican to chair an education-related committee.

The chair may be intimidated by the state department of education (IDOE) and Indiana State Teachers Union (ISTA) if a bill against wokeness or gender ideology reaches him.

In fear, the chair kills the bill and it is never presented to the committee.

He may allow impotent bills to move through the process to score political points with voters, without much backlash from the left.

Those supporting equal protection of the preborn from conception inform me their bills have suffered a similar fate.

Conservative parents should not depend upon the state legislature to protect children from wokeness and gender ideology. While individual legislators or school board members may have good intentions, compromising leadership renders them relatively impotent.

Parents should withdraw their children from public schools and pursue alternative education like homeschooling.

Alternative education may result in reduced family income and leisure time.

Conscientious, biblical Christians should be more concerned with gifting their children with a biblical worldview.

Pastor-theologian Voddie Baucham says, "We cannot continue to send our children to Caesar for their education and be surprised when they come home as Romans".

You can expect exposure to unbiblical sexuality, anti-white racism, anti-Americanism and age-inappropriate sexual content if you keep them in public schools.

If you want me to elaborate on my positions or provide further support, I have a public Facebook group called Christian News Junkie where I post relevant news items.

Robert Sparkman
Rome City

In politics, slow and steady does it

Today, let's pay tribute to one of history's little known but highly influential figures: Quintus Fabius Maximus Verrucosus, a Roman statesman and military commander of the third century BC.

His nickname was Cunctator, roughly translated as "the delayer," earned for the tactics he employed against the invading Carthaginian forces of Hannibal during the Second Punic War. Facing an army of vastly superior numbers and training, the "Fabian strategy" avoided decisive battles, instead waging a war of attrition.

Fabius sent small units to attack Hannibal's supply lines, harass his troops and generally wear down their morale. It was a hit-and-run strategy designed to deprive the enemy of a major victory and make its soldiers weary of the fight.

As a result, Fabius is credited with originating many of the tactics used throughout history in the guerrilla warfare waged by native populations against superior invading forces. Americans used them against the British during our War for Independence (Gen. Washington was known as the American Fabius — there's a Final Jeopardy answer for you). Refusing to learn from history, we allowed the same tactics to be used against us in Vietnam.

That fills in some of the "little known" part.

For the "influential" segment, let us turn to Victorian England and Thomas Davidson, a Scottish philosopher who founded a group having as its goal the establishment of a democratic socialist state in Great Britain. It was named the Fabian Society, paying

honor to the Roman general by adopting his tactics.

The Fabians favored evolution rather than revolution, aiming to transform society through its own war of attrition, in the words of Encyclopedia Britannica, advancing its goal of socialism through education of the public "by means of meetings, lectures, discussion groups, conferences and summer schools; carrying out research into political, economic and social problems; and publishing books, pamphlets and periodicals."

And it worked. The society's membership was never very large — only about 8,400 members at its peak in 1946 — but its importance "has always been much larger than its size might suggest . . . a large number of Labour members of Parliament in the House of Commons, as well as many of the party leaders, are Fabians."

We live in Fabian times, do we not?

Having just survived another session of the Indiana General Assembly and wearily awaiting another presidential election, it is easy to imagine the mass of ordinary citizens being manipulated from behind the scenes by a tiny but powerful bunch of determined zealots.

Perhaps it is the small band of well-heeled lobbyists in back rooms of the Statehouse. Or maybe it's the permanent cadre of career bureaucrats who stay in

Washington regardless of which political party is in power. Of course, we must consider the minuscule number of rightwing fanatics who use Fox News and talk radio to dominate millions of mindless Republicans. And then there are the extremist liberal wackos who, despite their small numbers, have used Twitter and Facebook to systematically dismantle traditional institutions and values.

On the other, hand, perhaps you are the next Fabius. If you and your friends just stick to your beliefs and keep plugging away, maybe the tide will turn your way, and you will find yourself in the vanguard. All you need is patience and fortitude.

Food for thought.

As a footnote, it should be remembered that Fabian Strategy worked only up to a point. At the decisive encounter of the Falerian Plain, Fabius thought he had blocked Hannibal's exit from the valley. But the wily Hannibal and a few of his men attached flaming torches to 2,000 head of marching cattle. Thinking he was chasing Hannibal's entire army, Fabius moved his troops in that direction. The bulk of Hannibal's army was then able to escape through an unguarded pass, almost without loss. A great opportunity was thus denied to Fabius.

Tactics can win battles. Wars, not so much. For that, something more is needed. I love history.

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