

GOP leaders agree state finances settled

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BOISE — Three House Republican leaders generally agreed the financial situation is pretty well settled this early in the session.

House Speaker Ralph Olmstead, R-Twin Falls; Majority

Leader Walter E. Little, R-New Plymouth; and Rep. Steve Antone, R-Rupert, chairman of the House Revenue and Taxation committee, see a general fund appropriation of about \$389 million, plus \$18 million in surplus to be spent for ongoing programs.

It's how the surplus will be split that could raise controversies later in the session, they said.

Antone said he would recommend the 1 percent tax freeze be extended another year but to allow inflation factor for growth and costs because of the sharply

increasing prices for gasoline and heating fuels.

Antone said the manner of distributing money to the various cities, counties and school districts also presents a tough task.

Also under consideration are some program changes in the Department of Health and Welfare.

Olmstead and Little have spent considerable time in working on what appears at least an 8.5 percent increase for both teacher salaries and public state employees.

Olmstead said he flatly opposes Gov. John V. Evans recommendation for a full-fledged Department of Energy because it would cost upwards of \$800,000 when such duties could be parceled out among employees of the Department of Administration and the Department of Water Resources.

Olmstead pointed out a "retrofit" program to provide heating and insulation programs for schools and hospitals could be handled by Department of Administration personnel.

He charged an energy department would only furnish another layer of state bureaucracy.

Both Olmstead and Little supported independent state monitoring of the INEL

radioactive waste injection program; see little chance for tax relief in view of a tight budget and perhaps a small increase above the 8.5 recommended for teacher salaries.

Employee salaries

Little pointed out there are 8,681 "classified" state employees, or those employed in regular state agencies, while 4,572 others who work offices of elected officials are considered exempt.

He said this totals to 13,253 public employees.

Little said under present plans, of the classified employees, 3,250 will get 5 percent increase, 5,086, about 10 percent hike and 345 a 15 percent jump.

In the resolution, said Little, the nonclassified will be rated about the same as the classified workers.

Little said provisions also are considered for increase in health care and mental health outpatient costs but there will be no dental insurance which would cost about \$1 million.

Little said the only possible chance for tax relief may be to reduce the school levy from 20 to 16 mills but the chances appear slim. It would cost \$11.8 million.

He also favored putting all local units of government under 1 percent limits.