

Stivers predicts smaller budget

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House Speaker Tom W. Stivers, R-Twin Falls, said Friday — in sharp contrast with Gov. John V. Evans — he sees a 1984 fiscal year budget of about \$400 million.

The governor has proposed a \$474 million budget earlier but the blunt-speaking new House leader said there is no possibility of such a high outlay.

"Of course," said the fiery Stivers in a telephone interview with The Post-Register, "we can't agree with the governor from the figures that are coming out of the State Tax Commission and our own Revenue Projection committee.

"Based on what we know today, we have to go with a \$400 million figure to start with."

Stivers said the House Revenue Projection Committee is currently holding hearings and likely will complete its work next weekend or possibly early in the week of Jan. 17.

Stivers said the preliminary figures indicate the shortfall could be \$50 million, rather than the \$47 million publicized by the governor.

"There is no way we can meet a \$474 million budget," said Stivers, "even if we raised the sales tax 2 and 3 percent."

He said a 1.5 percent sales tax might be the answer.

Stivers said the Republican leadership is examining every budget in every department and agency trying to determine if they are critical.

He said in some areas department heads admit they can make some cuts.

"We don't want state government to starve in any agency," said Stivers, "but we can put them on a limited diet. When they are overweight that's what we have to do. This is not a starvation diet; it is regimented diet."

Stivers estimated there may be close to \$30 million available in some surplus funds in some department that can be transferred to the general fund.

He said there could be what he called "a mix in budget cuts, a temporary 1 or 2 percent sales tax, and other actions" to meet the budget.

He said a temporary sales tax hike likely could not take effect before March 1, meaning the current 1983 fiscal year budget would only get four months of the increased sales revenue. He then added much of the June revenue goes into the next fiscal year starting in July.

Stivers said some agency heads, such as in the Fish and Game Department and Agriculture Research, protest raiding their treasuries.

"However," said Stivers, "when we pointed out we may need to raise game license fees it was a different story."

Stivers then pointed out the Legislature borrowed \$5 million from the Water Fund two years ago and this has not been paid back due to the reduced revenue.

Stivers also strongly opposed any effort to repeal the Job Credit and Investment Credit laws to help business.

"I believe if we tried that we would have a lawsuit slapped on us," said Stivers.

He pointed out such large firms as Gulf Resources, owners of the Sunshine Mine, has been depending on this tax relief in selling its mining properties in north Idaho. Other companies also have been depending on this tax relief.

Stivers also agreed the Residential Tax Exemption faces amendments or delay, or else local school districts will face added property tax.