The 1981 Idaho Legislature

Tight state budget predicted for coming year

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(This is the fourth of a series of 16 articles giving the views of East Idaho legislators and leadership on the salient issues shaping up for the coming session. This is on the state budget.)

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A tight budget that likely will hover about $420 million, and without any general tax increase, is indicated by most Idaho legislators responding to a Post-Register questionnaire.

Last year's budget was placed at $406 million but a 3.85 percent holdback ordered by the governor because of declining anticpated revenue trimmed this to close to $380 million.

Sen. Dane Watkins, R-Idaho Falls, member of the Joint Finance Appropriation Committee, and new chairman of the Senate Local Government and Taxation Committee, which will have key voices in budgetary matters, was a little more optimistic than most.

He said the state revenue is expected to reach $440 million by 1982 and this will provide the funding for all state goverment. He added the Legislature may have to dip into the Water Pollution Control Account on a one-time, one-shot basis, to finance needed emergencies, such as paying for the Idaho Prison riot damages and huge Medicaid deficits.

Another member of the JFAC. Sen. Israel Merrill, D-Blackfoot, commented "the governor should take the bull by the horns and recommend a complete overhaul of Health and Welfare, reduced budgets as much as possible, recommend programs he would rather see discontinued, then present the costs of the necessary budgets, including the prison riot damages, volcano cleanup and medicaid deficits and turn it over to the Legislature to decide."

All of the leadership agreed they would need to see what the revenue projection would total, then base the budget on this. These included House Majority Leader Walter E. Little, R-New Plymouth, Senate Majority Leader James Risch, R-Boise, and Senate President Pro Tem Reed Budge, R-Soda Springs.

Risch recommended spending on a basis of the highest priority first until the funds are gone; House Minority Leader Melvin Hammond, D-Rexburg, said it looks like $440 million will be available which should be enough; House Speaker Ralph Olmstead said there will be no new programs but that substantial cuts are in order which he has identified along with price tags.

"Any suplementals can come from Water Pollution Control Fund as the governor has suggested," he said.

Budge is far more pessimistic, saying "we will be lucky if we can get $380 million. In fact, it looks like there may be another holdback due to declining revenue.

Budge said projection figures of $420 million to as high as $490 million in expected revenue are unrealistic.

Rep. Wayne E. Tibbitts, R-Lorenzo, said "we should take a very serious look at Medicaid and we should give the minimum possible on restoration of damages done in the Idaho Prison riot."

Sen. Mark G. Ricks, R-Rexburg, also a JFAC committee member, said some extra must be spent to secure the state penitentiary.

"I feel we can and should supply the funding without additional taxes. Some services of state government must be cut," he said.

Nearly all legislators underscored the need to scrutinize appropriations and allot only the minimum amount needed to operate state government, based largely on the revenue projection, and emphatically no new programs.

Sen. William Floyd, R-Idaho Falls, suggested rather than studying the line-by-line items, a percentage cut should be handed down with the agency administrators using their authority to fund where they deem necessary.

Rep. Martin Trillhaase, R-Idaho Falls, underscored the need for no increase in programs. He said prisoners should be forced to make restitution to the people of Idaho for the damages they cause to the Idaho Prison, and added the volcanic ash cleanup is not a state responsibility.

"I do not understand why Aid to Dependent Children recipients had benefits cuts while administraters received a salary increased," he said.

State agencies asking for 32 percent increased was termed unrealistic by Rep. Gary L. Paxman, R-Idaho Falls.

"I don't feel the people want any increase," said Paxman. "The reason for the shortfalls in revenue is because the average citizen and businesman is making less. I feel the goverment agencies cannot expect anymore."

State Rep. Elaine Kearnes, R-Idaho Falls, and Sen. Vearl Crystal, R-Rigby, estimated the budget will range between $400 million and $420 million.

Rep. Darwin Young, R-Blackfoot, assistant House majority leader, commented that after the "deception by the Department of Health and Welfare as to their needs during the last special session I'm not sure that millions will be needed."