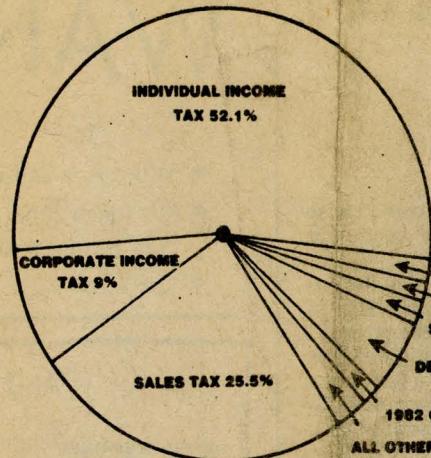


# Governor's general funds recommendation: \$477,035,500

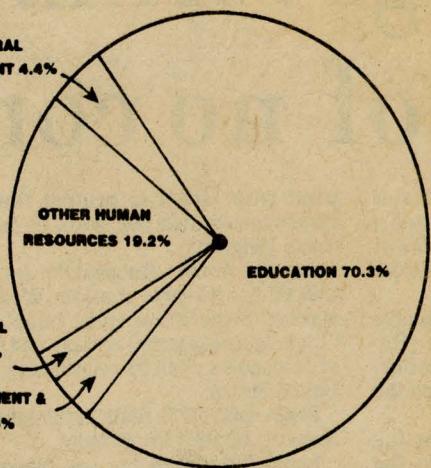


Where the money comes from . . .

## State income, expenditures

THE CHART ABOVE shows a drawing of how the fiscal year 1983 state funds are expected to be received and spent under Gov. John V. Evans' budget recommendations. It is now

up to the Idaho Legislature to determine whether these recommendations are to be followed.



. . . where it goes

Idaho Division of Financial Management

## Legislators scan budget for cuts

By BEN J. PLASTINO  
Post-Register political editor

East Idaho legislators say they are looking at Gov. John V. Evans' budget recommendations of \$477,035,500 to see what they can cut.

All agree there are no chances for a major tax increase, but they feel the existing revenue will not produce more than \$466 million at the most.

They also agree the fights will center on priorities, mostly on how large of the pie education and health and welfare will get.

Under the governor's proposal, education will get 70.3 percent, DHW and other human resources 19.26 percent; general government 4.4 percent; physical and natural resources 2.5 percent; economic development and regulations 3.6 percent.

Bulk of the income comes from individual income tax 52.1 percent; sales tax 25.5 percent; corporate income tax 9 percent; cigarette tax 1.5 percent; beer, wine and liquor tax 1.3 percent; state treasurer 1.9 percent; department of insurance 4.8 percent; 1982 carryover 1.2 percent; and all others 11.7 percent.

Evans budget has a 10 percent inflation factor, and it includes a \$3 million impact in the current fiscal year from the proposed shutdown of the Bunker Hill Co. in Kellogg. He predicts that impact will cost the state some \$11 million by the end of the 1983 fiscal year.

The governor's budget staff says most of those funds can be recovered if the mining and smelting firm does not close.

Evans also said the state is replacing between 28 percent and 33 percent of the federal funds the state would have received in 1982-83. The state expects to lose an estimated \$44 million in 1982 and about \$43 million in 1983.

Evans proposes \$10 million in income tax relief if the state adopts the federal Internal Revenue Service Code.

The \$10 million in tax relief Evans expects as a carryover from 1982 would have to be approved by the Legislature. That would require adopting the Internal Revenue Service Code.

Other appropriations Evans revealed include:

- Some \$906,000 for public television. The Legislature appropriated \$95,000 in 1982 for the state's microwave system. Evans also wants a 1982 supplemental appropriation of \$290,000 to keep KUID-TV in Moscow, KBGL-TV in Pocatello and KAID-TV in Boise on the air through the current fiscal year.

- A \$317,000 appropriation for the Division of Economic and Community Affairs, which was cut by the Legislature last year. "We must set the stage within Idaho to allow for the growth and expansion of our existing industries and we must attract appropriate new business and industry to our state," he said. The appropriation also includes \$130,000 necessary to receive \$6 million in federal funds to carry out the federal community economic development program.

- About \$221,000 to restore the state's Air Quality Bureau in the Department of Health

and Welfare. These funds would partially replace the bureau which was defunded by the 1981 Legislature.

- About \$70,000 to the Department of Water Resources for the newly-created Division of Energy. The funds will be for energy conservation programs for schools and hospitals. The Legislature did not fund the old Office of Energy in the current fiscal year.

- Requesting \$250,000 for the state's in-home service care program for the elderly. The Legislature cut that appropriation in 1981.

Evans is not proposing a tax increase, but he placed several line items in his budget that will require legislative action to increase state revenues.

One such revenue estimate was \$3.7 million from increased auditing efforts. That program would cost \$871,000 to increase the state auditing staff and support personnel, but Evans contends the revenue in that category would be boosted by increased efforts in collections and audits of tax returns.

Evans did not propose any funding to repay some \$5.3 million borrowed from the state's Water Pollution Control Fund. Budget Director Larry Seale said the governor would propose a program in his State of the State message in January to increase that fund to meet the \$500 million in needed sewage treatment plant work around the state.

"Many of the decisions were difficult, but they were necessary in light of the present economic situation," Evans said.