

Hammond sees more money for education

By BEN J. PLASTINO
Post-Register political editor

House Minority Leader Melvin Hammond, D-Rexburg, said Thursday he felt the 1984 Idaho Legislature could provide a \$30 million or more increase for education next year.

"Although the economic picture is still blurred, it appears we can furnish this much and help to make up the education shortage the Legislature caused the past year," said Hammond in a Post-Register interview.

Hammond said Republican legislators' refusal to approve more funding for education during this year's session likely will be the 1984 election campaign's most dominant issue.

"The Republicans had plenty of chances and money to appropriate more but they chose not to do so," said Hammond, a Ricks College religion professor.

Hammond said he has not been personally informed on how much surplus money the state will have, but House Speaker Tom Stivers, R-Twin Falls, estimated \$40 million to \$50 million in anticipated surplus the coming year. Of this, about two-thirds, or \$25 million to \$30 million, can be earmarked for public schools, Hammond said.

"You know," said Hammond, "we had some \$19 million that was available and Gov. John Evans recommended some of this be appropriated but the Republican leadership refused."

Hammond said Republicans gave public schools only \$215 million for the current fiscal year, exactly the same as figure for the preceding year.

"Considering inflation and rising school costs and teacher salaries it means public schools

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actually got less money," said Hammond. "We are now near the bottom of the list among the states in the amount of money we give to public schools. It will be a long rough road ahead to make up some of the losses."

Hammond said higher education will need well above the \$70 million allocated last year.

He said the Idaho Association of Commerce and Industry Task Force for Higher Education study will be closely studied to see what should be done.

Aside from the education issues, Hammond said the matter of legislation to nullify a court ruling subordinating farmers' water rights to those of the Idaho Power Co. will be another leading issue.

Also high on the agenda will be legislative district reapportionment.

Hammond said he felt the plan approved by the Legislature is fair, adding he resents a north Idaho district judge approving a plan submitted by a North Idaho college political science professor as one to adopt.

"I don't favor floaterial districts in anyway," said Hammond.

"Ultimately, the Legislature, not the judge, will make this decision," Hammond said.

Hammond said he also is interested in pressing for legislation to ease the property tax burden and in adopting a tax reform program equitable to all property owners.

"We will have plenty of issues to keep us busy in the coming session, especially in view of our money problems," said Hammond.

Hammond who has served 16 years, six of them as minority leader, said he likely will seek reelection next year.

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State revenue lags trifle below forecast for 1984

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BOISE — State revenue for the first two months of the 1984 fiscal year is slightly below expectations, the report of Martin L. Peterson, administrator of the Division of Financial Management, showed Friday.

The report showed \$74.6 million has accrued, compared with the \$75.9 million predicted.

The report is based on \$497.4 million estimated to be received in fiscal year 1984. This includes \$22.5 million in corporate income taxes, \$194.8 million in sales taxes, \$13.5 million in products taxes, and \$37.7 million in miscellaneous taxes.

The amount predicted and accrued to date from the five revenue sources, respectively, includes personal income tax, \$34.1 million and \$37.5 million; corporate income, \$1.3 million and minus \$1.5 million; sales tax, \$34.7 million and \$33.8 million; products taxes, \$2.5 million and \$2.2 million; and miscellaneous, \$3.4 million and \$2.6 million.

The report noted "August general account collections were mixed. Individual income tax collections were somewhat higher than expected. Corporate income tax collections were positive in August but the accrued-to-date

figure remains negative due to the large number of refunds issued in July.

"Despite the doubling of housing starts over a year ago and increases in Idaho employment, the general sales and use tax collections are scarcely within the range of expectations.

"July sales tax collections were 10 percent higher in August than in July, perhaps indicating that Idaho retail sales are beginning to follow the recent national trend of substantial growth. Total general account revenue collections are within the target range."

Peterson noted the recently published Idaho Economic Forecast projected that total nonagriculture employment will rise 2.28 percent in 1983, 3.78 percent in 1984, and 3.1 percent in 1985. The pre-recession peak in employment will not be surpassed until 1983, he forecast.

"The industries which high interest rates mostly severely injure — lumber and wood products, construction and mining — will show the largest gains in employment," said the report. "Yet, these interest-sensitive industries may not regain their peak levels of employment during the next five years due to the high real rates of interest expected to prevail throughout the period."