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The political pulse

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The election eye

State finance method escalates as issue

By BEN J. PLASTINO

Post-Register political editor

Republicans and Democrats opened their Bonneville campaign headquarters Wednesday and already the method of financing state government has escalated into a major political issue.

It gave both Democrat Gov. John V. Evans and his Republican challenger, Lt. Gov. Philip E. Batt, opportunities to expound their views before partisan supporters, along with other leading state and local candidates.

In the background, the two lieutenant governor nominees, Democrat Mike Mitchell and Republican David H. Leroy came to the defense of their gubernatorial standard bearers.

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Batt and Leroy uncovered three issues, which Evans and Mitchell refuted, bringing further confusion to the complex campaign, and raising questions as to their veracity.

Batt charged Evans waited too long in taking cost-saving measures, even recommending calling a special session of the Idaho Legislature this summer, in view of the declining economy, and stands behind television ads claiming the state has a deficit.

Leroy advocates a return to the state government of an accrual-basis budget.

Both Evans and Mitchell contended it is better to wait until the newly elected legislators can act after they take office in December, when the financial picture will be clearer. They point out the Republican legislative leadership

opposes any tax increase and a special session would have accomplished nothing.

Evans also added that to withhold the \$19.5 million on public school funding at this time would trigger an automatic property tax increase. In view of early signs for an upturn in the economy he thinks it may not be necessary.

Evans branded as "malarkey" Batt's charges of a deficit, insisting he is following the Idaho Constitution in balancing the budget or otherwise Leroy would have filed a suit. He said Batt knows the charges are false and added "he won't go to heaven if he says these things." Batt avers the deficit exists through accounting manipulations.

Evans also rejected Leroy's accrual-basis recommendation, saying the state had departed from this system in favor of a more efficiently operated government.

Leroy vowed he would sponsor a bill to require an annual balanced budget by state government, complaining the state moved debts and costs, including taxpayer refund charges, which were incurred in 1982, over for payment after June 30, into fiscal year 1982. Conversely, it accelerated certain income and receipts that normally would have been recognized in 1983, forward into June of 1982 fiscal year budget for balancing purposes.

Leroy certainly has some significant points but here again it is a question of differing accounting policies.