

Legislative limelights...

*Sun July 5, 1981*

# Hefty surplus to nag Idaho special session

By BEN J. PLASTINO  
Post-Register political editor

The surplus of \$3 to \$5 million — and it may be more — could present a problem at the Idaho Legislature special session, which convenes Tuesday.

Now it's delightful to have a little extra money in the pocket but Democratic Gov. John V. Evans and the Republican controlled Legislature may find themselves at odds on what to do with it.

There's enough difficulty in the legislators toiling over congressional and legislative district reapportionments without scraping over some of the meat left over from the bones of the last session.

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**The governor insists that he won't place on the agenda at the special session any proposal aside from reapportionment unless there is strong indication it will be approved. He has already issued his call for the reapportionment special session, sans other topics. These can be added any time by the governor, even while the Legislature is in session.**

The Republican controlled Legislature has been sharply criticized for its failure to properly fund agencies, even to the point it appeared to be embarked on a course of destroying state government.

It's Legislative Projection Committee was and the governor's own Division of Finance under Richard A. Slaughter, chief absolutely correct in forecasting the uses for the 1981 fiscal year ending and every indication it is right for year beginning Wednesday.

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ious situation, however, is the Leg-  
gant refusal to accept the gover-  
on budget for fiscal year 1982, and  
led it to \$420 million. These deep cuts  
ship for public education, higher  
on, air and water quality management,  
ce of Aging, Office of Energy, Women's Com-

mission, and a wide range of health and welfare services.

The legislative Republican leadership has a point in insisting it is better to vote a conservative budget, rather than risk a deficit, although all signs at that time pointed to an economic upturn.

It's understandable both the governor and the Republican legislative leaders are reluctant to spend any more time than absolutely necessary at the special session during the hot July days. This is at the height of the vacation season and when farming and other outdoor work is in full swing.

The Board of Examiners made up of the governor, Secretary of State Pete T. Cenarrusa and Attorney General David H. Leroy, it is recalled, ordered a 3.85 percent holdback a year ago in fear the revenue would not reach the \$388 million budgeted.

The so-called financial experts then believed only about \$380 million would be received. The latest figures by Slaughter showed it will reach between \$390 million and \$392 million, plus \$1 million more available from unspent funds from the state agencies.

The board just recently lifted this holdback to give back \$7.1 million in property tax relief. This will be allotted in the form of proportionate reduced tax bill this year.

Here again, the governor had a strong point in urging this money be held until this fiscal year and then returned to the financially-strapped school districts. Many school districts are voting override levies to meet the minimum operating costs.

This property tax relief for the average owner — of say, a \$50,000 market value home — would amount anywhere from \$10 to \$30 each, depending in what school district he resides. He likely will pay much more through the override levies and increased school service fees and other taxes.

Thus, the governor and Legislature face the decision of doing something during the special session to partially correcting the wrong committed in the 1982 session. And they also can think seriously of readjusting the 1982 fiscal budget with supplemental funding at their regular session next winter.

# Olmstead plans earlier gubernatorial race entry

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BY BEN J. PLASTINO  
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House speaker Ralph Olmstead, R-Twin Falls, announced Friday he likely will move up his expected announcement for the gubernatorial contest.

He had planned earlier to announce in the fall but he said he now may jump into the contest in August, in time to appear as a full-fledged gubernatorial candidate for the number of fairs scheduled in late August and in September.

"I have been doing a lot of traveling and speaking at many places so that I could get good public exposure," said Olmstead in a telephone interview with The Post-Register from his Twin Falls home.

Olmstead said the special session the coming week also will give him an opportunity to strengthen his political fences and expand his exposure.

Olmstead said he has hired Ben Spencer, who worked for the National Republican Committee in the Pacific Northwest, to serve as his campaign manager.

Spencer already has established a state campaign office in Boise to begin preliminary activities.

Spencer was born and raised in Utah and has had experience in Idaho politics.

Olmstead would be the second Republican candidate to announce for the contest, following Lt. Gov. Philip E. Batt who formally jumped into the race last spring.

Olmstead said he believes the decision of Vernon F. Ravenscroft, former gubernatorial con-

tender and past legislator and state party chairman, not to seek the post, will help his chances.

He noted both he and Ravenscroft carry a conservative image that would split this bloc of voters if Ravenscroft were a contender.

He said he likely will talk with former House Speaker Allan F. Larsen, Blackfoot, to see what are his plans. Larsen has indicated he will not run but has left the door open.

The only other gubernatorial contender mentioned at this time is Attorney General David H. Leroy, who also is eying the lieutenant governor post.

"At any rate," said Olmstead, "I am going ahead with my plans to enter the contest."

Olmstead is serving his fifth term in the Legislature and was elected House speaker three years ago to replace Larsen, who sought the gubernatorial nomination.

Olmstead scored an upset when he narrowly defeated by two votes the favorite, House Majority Leader Walter E. Little, R-New Plymouth, for the coveted speakership in the 1978 session, and easily turned back by more than 2-1 margin the challenge of a right wing legislator, Rep. Dan Emery, R-Boise, for the position in 1980.

In other matters, Olmstead said it appears the abbreviated regional management system in the Department of Health and Welfare instituted by the new director, Les Purce, appears to be satisfactory in cutting costs, and that he has no objection to including a proposal for repaying \$5.5 million to the Water Pollution Fund in the special session, although it could wait until the next session.