

# Evans begins work for 1985 state budget

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It's still three months before the 1984 Idaho Legislature convenes but Idaho Gov. John V. Evans already has begun preparing budget plans.

Evans sent his Division of Financial Management administrators, Martin Peterson and Larry Schlicht, to conduct eight statewide meetings on the budget, including one in Idaho Falls, in late September to get input on what people want in the way of financing for the 1985 fiscal year.

In the Idaho Falls meeting, city representatives asked for a half cent share of the sales tax and suggested boosting the present sales tax from 4.5 cents to 5 cents.

They also asked for a study to eliminate some sales tax exemptions amounting to \$200 million but discussions showed substantial reductions may be difficult to achieve.

School representatives pleaded for more educational funding.

Several cultural, blind, musical and art agencies also asked for funding of the Commission of Arts.

The governor indicated in a recent Post-Register interview he may recommend a budget of about \$558 million, which compares with \$451.7 million in this fiscal year.

He based his estimates on expectations that the present revenue projection could bring \$440 million, mostly from the 3 percent sales, income, corporation and other taxes; \$16 million carryover, \$17 million additional in other tax adjustments, and \$85 million if the 1.5 percent sales tax increase is extended beyond the present termination date, June 30, 1984.

Peterson said in the state budget hearings the fiscal year 1983 general account disposition showed revenues and expenditures balanced at \$414.9 million.

The fiscal year 1984 general account anticipates \$497.4 million in revenue while \$489.8 million is expected in expenses, leaving a balance of \$16 million.

For fiscal 1985 which the Legislature will consider the coming term, revenues are projected at \$435.3 million and expenditures at \$476.4 million, leaving a deficit of \$41.1 million.

In a handout prepared for the budget hearings, the governor said he has established four areas that he will emphasize as the budget is developed. These include revitalizing Idaho's economy, strengthening cities and counties, excellence in education, and human services.

On revitalizing the economy, he said "the economic problems of the nation have also had a severe impact in Idaho. Idaho's basic industries of agriculture, forestry and mining are in need of stimulation. We also need to increase our efforts to diversify the economy and attract new industry."

He said he proposes expanding

business recruitment activities, improving financing mechanisms for industry, developing funding mechanisms for local capital improvements such as water and sewer systems, streamlining the state's business regulatory functions, enhancement of international marketing of Idaho products such as his current trip to China, diversification of Idaho's industrial base, and in-state conversion of raw materials to finished products for export.

Regarding strengthening cities and counties, he said "without adequate local services, economic growth will be difficult if not impossible. Our cities and counties presently have less discretionary authority than those in any other state."

He wants to develop improved sources of operating revenues for cities and counties, develop funding mechanisms for capital improvements such as water and sewer system and jail facilities, and give city and county officials more discretion.

For excellence in education he commented "there is no program funded at either the state or local level in Idaho that is more important than education. Funding for education constitutes the single greatest expenditure of public funds in Idaho and has historically been our highest funding priority. However, in spite of our commitment to education the funding level remains woefully inadequate in most instances and has resulted in our inability to provide important educational opportunities to our cities."

To meet the goal, he proposes to provide competitive salaries for public school teachers and college and university facilities, expand training for jobs in high technology businesses as well as for established industries, expand research into the development of Idaho's basic industries of mining, forestry and agriculture, and improve Idaho's second to last place national standing for pupil expenditures for education.

On social services, he said "the strength of Idaho lies with its people. Protecting the health and well-being of our citizens must constitute a major part of our efforts. This is especially true with those who are unable to look out for themselves."

He proposes supporting preventive health programs such as immunization and public health services, helping the elderly live independent lives by providing in-home care services, strengthening the state's efforts to eliminate drug and substance abuse, providing the means for local units of government to provide emergency medical services, providing for a Consumer Affairs Division with the Attorney General's office, development of work opportunity programs to minimize the need for state financial assistance, and programs to contain continually rising health care costs.