

Picking sides

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Tom Luna...



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JEERS ... to Idaho schools Superintendent Tom Luna. Last week he persuaded the Idaho Land Board to drain an extra \$22 million from an endowment reserve account to soften the budget hit on public schools. This week, he derailed pumping more money into it.

At issue are the 521 cottage sites Idaho leases as vacation homes at Payette and Priest lakes. The state collects \$4.3 million in rent, a return of only 1.7 percent on a \$252 million asset. Idaho's constitution requires this rental money be paid to the public schools, Lewis-Clark State College and Idaho State University.

Consultants Terry L. Anderson and Reed Watson say Idaho should be getting anywhere from 5 percent to 9 percent, which is what neighboring states charge for similar properties. Even the Parks and Recreation Department gets 3.75 percent return on its cottage sites at Heyburn Lake.

Along with Secretary of State Ben Yursa and Gov. C. L. (Butch) Otter, Luna initially supported a plan to bring rents up to a rolling average of 4 percent. Because of the phase-in, rents would have risen only to 2.6 percent, however.

Attorney General Lawrence Wasden - who last year authored an opinion reminding the Land Board of its constitutional duty to get the maximum return on those cabin sites - thought the proposal inadequate and opposed it. Controller Donna Jones was non-committal.

Then Luna yanked his support during Tuesday's Land Board meeting, arguing he needed more time to study so-called premium rents. Because state rents are so far below market rates, purchasers of the leases are willing to pay additional money to obtain one. In effect, they are prepaying rent - but to the original leaseholder, not the state. Some \$26 million changed hands from 78 recent lease transfers. Only 10 percent of this money went to the public schools, LCSC and ISU. Lease-holders pocketed the rest.

When Luna and the Land Board settle this issue, will the schools, LCSC and ISU win - or will the politicians side with the special interests?

Stay tuned.

CHEERS ... to Sen. Joe Stegner, R-Lewiston. Wednesday, he joined Democratic Sens. Kate Kelly of Boise and Michelle Stennett of Ketchum in opposing the "Health Freedom Act."

Actually, it's more like the freedom to remain uninsured act for 222,600 Idahoans, mostly workers who can't afford health care coverage.

If passed, this bill authorizes Idaho to challenge any federal mandate that people get health insurance. Never mind the federal legislation hasn't passed. Never mind that Idaho can't afford to maintain its schools, higher education, health care and social services. It somehow has \$100,000 sitting around to pay for quixotic lawsuits.

"Why in the world do you think the state can arbitrarily declare that they have sovereignty on the issue of health care when in fact I think all sorts of precedent would say that the federal government certainly can impose that if they so choose?" Stegner asked.

The Senate State Affairs Committee proceeded anyway, voting 6-3 to send the bill to the full Senate. It already passed the House on a straight party-line vote.

All of which means Stegner is only Idaho Republican lawmaker to break ranks.

Good for him.

JEERS ... to Gov. Otter. Tell this governor what he doesn't want to hear and he'll retaliate.

Case in point: Idaho Public Television.

Otter wants to wean public television from about \$1.7 million in state tax support over the next four years. It means the end of statewide public television. And why is this being done?

To get Idaho Public Television General Manager Peter Morrill's attention.

"Those agencies and departments who chose to kind of thumb their nose at the governor found that they didn't find a place in his budget," Senate President Bob Geddes, R-Soda Springs, told the Idaho Press Club Tuesday.

Last fall, as the state revenues were tanking, Otter's budget shop asked public agencies what they could cut. Among those who failed to respond suitably were those that ended up on the chopping block - Parks and Recreation, the Human Rights Commission and public television. And it was Morrill, according to Otter's shop, who was most recalcitrant.

"We had one agency tell us, 'There ain't nothing we can do. We need every single dollar,' " said Wayne Hammon, Otter's budget chief.

Morrill didn't thumb his nose at that request. He answered truthfully. After losing 50 percent of his budget the year before, Morrill wasn't sure where else to go.

"With budget cuts last fiscal year and in the FY10 base, we can make no further reductions in costs without significant reduction in service and the ability to respond to our constituents," Morrill wrote on Sept. 18. Otter cut public television anyway - \$124,500 or 7.5 percent - last October, which cost two people their jobs. Then in January, the governor announced plans to slice \$550,000 next year and keep going until the network had no state support four years from now.

Wednesday, Otter told the Idaho Statesman's editorial board: "I wanted them to think that (they would be zero funded). I wanted them to think that. How else am I going to get them to respond?"

Now that will show Morrill who's boss.

JEERS ... to Rep. Timm Ormsby, D-Spokane. Sure, Washington needs more money if it's going to avoid even more draconian cuts to programs that help college students, low-income workers and schools.

But to raise \$1 billion, Ormsby and 14 co-sponsors would raise Washington's 6.5 percent sales by a penny.

When the state's 9.5 percent unemployment rate drops to 6.5 percent for four consecutive months, the surcharge would fall to a half-cent. When unemployment falls to 5 percent, the sales tax surcharge comes off entirely.

With an income tax, people who have jobs and money pay it, but Washington refuses to have an income tax.

Ormsby's plan is just the reverse. He's going to tax people when they're hurting. And he'll lighten up when they're not.

What's the sense in that? - M.T.