

# That was some hole Idaho dug itself into

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**Marty Trillhaase/Lewiston Tribune**

In Idaho, this is becoming routine.

Either the governor and the Legislature low-ball budget revenue estimates - thereby justifying deeper than necessary cuts in the public school budget. When the original estimates prove accurate and the money comes in as predicted, the budget cuts stand while "extra" money is siphoned off in tax breaks for the well-to-do.

Or the politicians can barely restrain themselves. When a recovering economy translates into modest revenues, they begin promoting tax cuts.

First it's House Majority Leader Mike Moyle, R-Star, talking about "giving back a little."

Then it's Gov. C.L. "Butch" Otter telling the Boise Metro Chamber of Commerce Idaho's income tax rate should be "much, much lower."

Now comes Fred Birnbaum, vice president of the conservative Idaho Freedom Foundation. In an op-ed earlier this month, Birnbaum insisted that Idaho was on an extravagant spending spree.

Since 2011, Birnbaum said, Idaho's general fund expanded by 28.9 percent - while the average among the remaining 49 states was 22.5 percent. Had Idaho just held to the average, Birnbaum said it would saved \$150 million and had more than enough money to pay for highways and bridges without the modest transportation package lawmakers approved last year.

This is one of those everything-you-know-is-wrong moments.

Otter is one of the nation's most conservative governors.

Idaho's Legislature is 80-percent Republican - and overwhelmingly tight-fisted.

By one score, Idaho's tax burden is the 49th lowest in the country.

Since 1999, the state has shaved taxes by an estimated \$500 million - reducing the share of Idaho's personal income devoted to public education by 25 percent.

Besides, there aren't that many people making enough money to pay much in taxes. Idaho's per capita income is \$37,509. Only Mississippi earns less, at \$35,444

Never mind. Usually the assertion of Idaho overtaxing and spending too much goes unchallenged.

But this time, the Spokesman-Review's Betsy Russell dug into the numbers.

Not only did Birnbaum understate the national spending average - it was actually 24.5 percent - but his selection of 2011 as the starting point was manipulative.

That's because the recession hit Idaho harder than most states. It fell into a deeper hole and then it started digging. Rather than raising taxes to spare schools, Idaho actually cut income taxes and the taxes businesses pay on personal property.

Idaho was at its lowest point in 2011. So it had more ground to make up. Hence, the increase in spending.

If you want to compare apples to apples, start on the eve of the Great Recession in 2009. Since then, you'll find Idaho spending is up about 3.8 percent. That's paltry compared to a national 21 percent average among the states.

But you see it in Idaho's four-year institutions of higher learning, which have yet to recover the money they lost during the recession.

You see it in the trouble Idaho's public schools are facing competing with other states for teachers.

And you see it in the census data the Legislature's Tax Working Group uncovered last year. For 2012, the last year on record, the amount of money Idaho's state and local governments spent per capita was ranked 51st. Washington, by contrast, came in 13th.

On state expenditures alone, Idaho came in 43rd. Washington was 27th.

Hardly an argument for cutting

taxes, is it? - M.T.