

Senate's budget plan bigger than Gregoire's

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Drinkers, smoker, and the estates of Washington's richest families would chip in large shares of the \$480 million in new taxes proposed Monday by Senate Democrats.

One new proposed tax -- \$1 a liter on liquor -- would generate \$49.7 million.

Some of the state's poorest also will be hit with a new \$3 copayment for prescription drugs in the federal- and state-funded Medicaid program that pays medical costs for the indigent.

On the other hand, there is good news for anyone trying to get into a university or for students who need financial aid: The budget would provide about 8,120 new enrollment slots in colleges and universities, about 1,500 more than what Gov. Christine Gregoire offered in her spending plan a week ago.

"As we worked on details of the budget, we kept in mind the question ... what kind of state we want to live in," said Democratic Sen. Margarita Prentice of Renton, the lead budget author, during a morning news conference announcing the plan.

The budget is the first legislative answer to Gregoire's budget, and the Senate plans to move Proposed Substitute Senate Bill 6090 through committee today and onto the Senate floor for a vote Wednesday.

Prentice said the extra money would let the state remain "the best state in the country" with "the best schools, cleanest energy, healthiest economy and the best access to health care."

But in a replay of the Republicans' reaction to Gregoire's budget, the GOP attacked the Senate plan for its apparent lack of program cuts.

"It looks like the governor's budget on steroids. It's bigger, faster and more of the same," complained Rep. Gary Alexander, R-Thurston County, ranking minority member of the House Appropriations Committee. His lone kind word was that the Senate had used some of its additional revenue to put a couple of hundred million dollars more into pension investments than Gregoire.

Still, Sen. Joseph Zarelli of Ridgefield, said the Democrats were "going straight for the taxpayers' pocketbooks." "This budget is unsustainable, irresponsible and unstable," he said.

State employee groups offered criticism of the budget's failure to fully fund pension programs, operators of neighborhood stores criticized the effects of higher tobacco taxes and the Evergreen Freedom Foundation attacked the lawmakers for "ignoring" the state's nearly defunct spending limit.

Other slings and arrows were launched against the budget from human services groups, including Aiko Schaefer of the Statewide Poverty Action Network, who contended the Senate cut more funding for the poor than the governor did.

In particular, Schaefer noted the \$3 co-payment for prescription drugs and \$1 co-payment for Medicaid-provided transportation to doctor appointments, which she predicted would hit the poor. Other cuts include a requirement that disabled and elderly people meet higher eligibility requirements before getting state-paid home care help.

"It'll definitely be a problem for me," said Sue Stauffer of Seattle, who uses a cane and walker and takes up to 15 different prescriptions for diabetes, allergies, degenerative disk disease and other ailments including anxiety attacks. "Let me tell you: Dealing with the state makes my anxiety level go way up," she said. "I would much rather have a full-time job than have the state decide my life."

BUDGET HIGHLIGHTS

The budget proposed Monday by Senate Democrats would spend more and raise more new tax revenue than a budget released a week ago by Democratic Gov. Christine Gregoire.

The Senate would raise a net \$482 million in new revenue over the two-year period for a \$26 billion spending plan; Gregoire would raise about \$203 million in new revenue.

New revenue under the Senate plan includes:

Estate tax: \$135.2 million, exempting estates of \$1.5 million or less this year and up to \$2 million in 2006.

Cigarette tax: \$168.2 million from adding 60 cents per pack in July, raising the total rate to \$2.02 and a half then adding 20 more cents in 2007.

\$1 per liter liquor tax: \$49.7 million.

State workers

Both the Senate's and Gregoire's proposals would fully fund a labor contract for state employees; that includes cost-of-living raises of 3.2 percent this year and 1.6 percent in 2006.

Both would hold the state employee share of health insurance premiums to 12 percent of costs, although the Senate would set the employer contribution for non-represented workers at \$618 per month in fiscal year 2007, less than the \$744 per month for unionized workers.

How Gregoire's and the Senate's budgets compare

The Senate provides 8,120 new higher-education enrollment slots; the governor provided 6,600.

The Senate would do away with former Gov. Gary Locke's Promise Scholarships program, putting the money into state need grants. Gregoire would fund it.

The Senate would institute a \$3 co-payment for Medicaid prescriptions and \$1 for state-paid trips to medical appointments. The governor did not add these.

The Senate would add \$5 million to improve Child Protective Services while the governor would add \$13 million.

The Senate would add \$82 million to replace lost federal money for community mental health programs; the governor would add \$80 million.

The Senate would raise the cigarette tax by 60 cents the first year, then 20 cents in 2007; Gregoire would raise it 20 cents this year and 60 cents by 2008.