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## House budget divides parties

**South Sound lawmakers split along party lines, alternately praising and criticizing a budget proposal rolled out by House Democrats on Wednesday.**

The nearly \$26 billion general fund plan for the next two years includes tax increases on cigarettes, liquor and family estates, a few spending cuts, and many shifts of money from fund surpluses to cover a \$1.5 billion gap.

"Good budget!" said Rep. Sam Hunt, D-Olympia, who noted that it includes money to honor a contract for wages and health care for state employees. It also puts extra money into public schools and college enrollments.

"This budget is no more sustainable than the governor's budget or the Senate budget," countered Rep. Gary Alexander, R-Thurston County.

The bright spot is the House apparently agrees with the governor and Senate on cutting the number of middle managers in state government, Alexander said.

But he wanted to see deeper cuts in spending, including dismantling a cash-grant program for the unemployable that, he said, could save \$480 million while shifting the participants to federally funded programs.

The budget, written by House Appropriations Chairwoman Helen Sommers, D-Seattle, is the fourth proposed -- including one from the Senate, one from Gov. Christine Gregoire and one from former Gov. Gary Locke.

The Sommers spending plan assumes a \$475.8 million increase in revenue, more than double what Gregoire requested, but about \$34.3 million less than what the Senate proposed.

Sommers, who could hear protesters chanting outside when she laid out details of the spending plan to reporters and lobbyists, had to walk past the protesters to get to the press conference.

"When I walked through them, I said, 'More revenue! More revenue!' " Sommers said, laughing.

The Sommers plan assumes restoration of an estate tax, which the Supreme Court struck down earlier this year. Similar to Gregoire's proposal, it taxes estates larger than \$2 million and exempts family farms.

It also assumes a 60 cents-a-pack increase in taxes on cigarettes and 50 cents a liter on liquor, Sunday liquor sales at 20 stores, quicker collection of real-estate excise taxes, as well as a new sales tax on purchases of extended warranties for products.

Overall, Sommers called it a "strong" budget with heavy investment in public education, expansion of higher education enrollments by 10,000 slots, money for the Basic Health Plan and children's health insurance, money for rural doctors who deliver babies, and numerous other investments.

It also includes pay raises for teachers and money to reduce class sizes in elementary schools. And it puts money into learning assistance programs targeting children of low-income backgrounds.

House Speaker Frank Chopp, D-Seattle, said he has 50 votes to pass the spending plan from the House to the Senate. A vote is planned Saturday. There are many ways the differences between the three budgets can be reconciled, Chopp said.

Gregoire issued a statement in support of the budget, saying it "invests in kids, provides health care for children and keeps Washington on a path to economic success.

"While there are differences between my budget proposal, the Senate plan and the House proposal, I am sure that the Legislature and I can come to an agreement and conclude this session of the Legislature on time," Gregoire said, referring to the April 24 adjournment deadline. "I look forward to working with leaders of both chambers to produce a budget that achieves our goals in education and health care."

One of the biggest departures from Gregoire and the Senate is in the higher education enrollments. Sommers' plan dedicates the estate tax proceeds for that purpose. Gregoire, who recommended 6,600 new enrollment slots, wanted the estate tax to pay for public school class-size improvements; the Senate wanted closer to 8,100 new enrollments.

Those who work on behalf of the poor, elderly and disabled said the House budget made improvements on the other two plans but still has flaws.

One tempered complaint was that the House includes just \$70 million to replace \$82 million in lost federal money for community mental health programs. That was less than Gregoire or the Senate provided.

As with the other two budgets, Sommers' plan cuts \$18 million from a program that gives \$339 in monthly short-term cash grants to the disabled and others considered unemployable.

Tony Lee of the Fremont Public Association said the savings comes from shifting people off the General Assistance-Unemployed program and into Social Security and veterans programs instead of reducing eligibility.

Lee said the Democrats offered a decent budget that could be made good with just three or four changes, including restoring full funding to community health clinics, elimination of \$3 co-pays for drug prescriptions in the Medicaid program, and increasing the level of child care subsidy for providers to low-income families.

"We were very surprised to see a \$5 million cut into community health centers," said Rebecca Kavoussi of the Community Health Network of Washington. Care given to uninsured people is up by 46 percent in four years at community clinics, and cuts push costs onto hospitals with emergency rooms, Kavoussi said.

The co-pays, which the Senate also proposed, could backfire and lead to higher costs if patients don't take the proper medication, according to Lee. He called the co-pays "totally unacceptable."

Several child-care providers sounded off at an Appropriations Committee hearing that followed the rollout. Annie Cubberly of the Child Care Action Council in Olympia urged a larger increase in the subsidy, testifying that the state's subsidy for child care is one of the lowest in the United States.

Sandy Best of Shelton, whose wife operates Best Day Care, asked the House to raise its \$9.7 million increase in subsidies to the Senate's level. He subsidizes the business with earnings from his own job, he said.

And Diane Gaile, operator of Mariah Collaborative Arts Center on Olympia's west side, said the increase is small. She's unable to afford health care insurance for her employees, Gaile said.

Protesters who remained outside the legislative buildings said lawmakers should raise revenue. "Just Getting By is Not Good Enough," declared a sign held by Peter Verburg-Sachs, who participated in a rally near the Capitol's sundial.

Verburg-Sachs said he came to town to advocate "that the budget be substantial enough to take care of the needy and that the cuts be directed at those who can afford it." He also wanted revenue to come from those who can afford it.