



CAPITOL REVIEW

A WEEKLY LEGISLATIVE REPORT

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A Weekly Legislative Report

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AG ECON PUBLIC POLICY TOUR

Food Producers of Idaho has sponsored the **University of Idaho Ag Econ Public Policy Tour** for the past **21 years**, including this year. This year, 12 students and three faculty members arrived in Boise on Sunday and stayed until noon Wednesday for the tour. The tour covers a wide variety of issues including the role of a lobbyist; meeting with the State Auditor; attending both House of Representatives and Senate Agricultural Affairs Committees; hearing from Congressional offices; meeting with Ag Lobbyists; and attending the weekly Food Producer of Idaho Legislative meeting. On Monday evening the U of I guests joined legislators for an evening of fellowship and information exchange. The students attending this year included:

Students:

Emily Blattner	Kuna, ID
Hailey Chambers	Driggs, ID
Anna Devries	Cambridge, ID
Julia Dondero	Reno, NV
Katy Doumit	Troy, ID
Klay Hanrahan	Richland, WA
Seamus House	Waitsburg, WA
Gavin Merritt	Rosalia, WA
Lauren Mink	Cambridge, ID
Kamryn Orr	Mountain Home, ID
Kiera Packer	Melba, ID
EmmaRae Parsons	Arco, ID

Faculty:

Dr. Chris McIntosh	Moscow, ID
Xiaoxue Du (Rita)	Moscow, ID
Liang Lu (Jimmy)	Moscow, ID

The students pay a fee to participate in the program, the University of Idaho provides the transportation, and members of Food Producers fund the expenses related to the activities while the students are in Boise.

IDAHO LAUNCH PROGRAM

Governor Little, in his State of the State address, announced a new opportunity for Idaho students. The proposal is titled the **Idaho Launch Program**. H24 is the result of the Governor’s proposal. H24 expands the existing Idaho Launch program to high school graduates starting with the class of 2024. **Eligible graduates can receive a grant of \$8,500.00** to be redeemed at the workforce training provider, career technical program, community college, or college of their choice. Preference will be given to students pursuing in-demand careers based on current job market data. H24 presents the legislature with the opportunity to support Idaho students who want to enter the workforce and apply for in-demand careers. A large number of in-demand jobs are in production agriculture and food processing in Idaho. The support offered by H24 is critical given the ongoing labor crisis. The bill leverages and re-directs \$102 million in existing budget capacity for the program.

JOINT FINANCE & APPROPRIATIONS

Each morning at 8:00 AM the Joint Finance and Appropriations Committee meets to hear reports from state agencies and those agencies departments that receive funding from the legislature. Last week was Education Week at the Legislature and the committee heard from every Idaho University and College. Eventually, the presentation cycle will end and the committee will begin to consider and vote on budgets, which are influenced by recommendations from the Governor’s budget and from the legislature’s own fiscal staff. **Approximately half of the committee is made up of freshman** who just entered the legislature in January. These freshmen have asked some of the pressing “why” questions in many of the presentations. The committee also has new co-chairs. This past week the Idaho State Department of Agriculture (ISDA), Idaho Department of Fish and Game (IDFG), Office of Species Conservation (OSC), Idaho Department of Parks and Recreation (IDPR), and the Wolf Depredation Control Board (WDCB) presented their

budgets to JFAC and answered questions regarding those budgets. Highlights from the presentations include:

- A one-time supplemental request from IDPR for a **\$100 million transfer from the general fund** to address maintenance and provide more campsites, marina upgrades, facility renovations and outdoor recreation sites.
- A request from OSC for a **\$75,000 one-time for the 10th year of the University of Idaho Sage Grouse research study**.
- A number of questions surfaced around Fresh Fruit and Vegetable inspectors and the importance of maintaining these seasonal/fulltime positions because of the necessity of their work. Additionally, the growth in the watercraft inspections and need for those positions and locations to be running smoothly. Overall, in Fiscal Year 2023 less than a third of ISDA's budget was from General Fund appropriations.
- Continued funding at Fiscal Year 2023 levels for the WDCB to continue its mission.

PROPERTY TAX LEGISLATION

The log jam broke this week and a slurry of bills regarding property taxes have started to pool up on the legislature's docket. The ideas have included using surplus money to pay down bonds and levies to increase the homeowner's exemption. The three bills introduced in the House Revenue and Taxation Committee yesterday included:

- **H77** would provide property tax relief to Idaho homeowners on their primary residence. The bill will dedicate 4.5% of annual sales tax revenues, providing a subtraction from each homeowner's total property tax bill. For the year 2023, the amount of \$150 million will be appropriated from Fiscal Year 2023 General Fund surplus to begin this relief in the first year after passage of the bill.
- **H78** would change the homeowners exemption and index. Prior to 2016, the homeowner's property tax exemption was indexed annually, consistent with the sales prices of Idaho homes. In 2016, indexing was removed from the formula. H78 would restore an annual index, based on the sales prices of Idaho homes, to calculate the maximum homeowner's exemption amount and would establish an initial exemption of \$224,360, as if the indexing factor had not been removed in 2016. The legislation reestablishes the homeowner's exemption amount as an accurate representation of sales prices of Idaho single family residences.
- **H79** would provide immediate, ongoing, and permanent property tax relief. This is

accomplished by providing \$300 million to school districts distributed based on average daily attendance. School districts are required to use funds in the order of priority as follows: (1) payment of school bonds (2) payment of school levies (3) payment of expenses necessary to provide for safe school facilities and address life, safety, and health issues (4) saved for future school facility construction needs. H79 would also eliminate 2 of the 4 election dates that districts can run elections and increases the homeowner's exemption to \$150,000. H79 increases the limitations for individuals to qualify for the circuit breaker.

In reviewing the array of bills, H78 provides some of the most concerns. It would create a large shift in property tax burden to commercial and agriculture properties.

SPONSORSHIPS FOR NGO'S

H12 would prohibit state agencies from donating to, and/or sponsoring non-governmental organizations unless previously approved by the Governor. H12 as written would cast a wide net to include commodity commissions and likely prevent commodity commissions from funding private events or non-governmental entities. The bill was likely intended to target a very few select state agencies or departments, **none related to agriculture.**

GREATER IDAHO DISCUSSION

Representative Judy Boyle represents District 9, which includes the counties of Payette, Washington and a portion of Canyon has crafted HJM1. House Joint Memorial 1 would authorize the Idaho and Oregon legislatures to begin official discussions on whether it is feasible to move the Idaho border into Eastern Oregon. In the body of the memorial is a statement that includes: ***rural Oregonians are becoming increasingly frustrated with their state government and the trampling of their values and are seeking state government that is more in line with their rural values and resource-based economy.*** In the past, the proposal has been heavily driven by residents of Oregon but now it appears that Idaho is going to be a little more engaged in the discussions. A Joint Memorial is a petition or representation made by the House of Representatives and concurred in by the Senate, or vice versa, addressed to whoever can effectuate the request of the memorial. The measure is currently before the House State Affairs Committee for their consideration.

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