



# CAPITOL REVIEW

## A WEEKLY LEGISLATIVE REPORT

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### A Weekly Legislative Report

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#### SOIL CONSERVATION DISTRICTS

Rep. Dan Garner (R-Clifton) introduced a bill that would outline how a conservation district can move from a seven-member board back to a five-member board when necessary. Previous legislation had been passed in 2022 to allow conservation districts to downsize due to there only being a process in statute to increase from five members to seven members. H403 would clarify that in the event the supervisors of a district, after a majority vote of the district board, deem it necessary to reduce the number of supervisors to five, there must either be two vacant positions on the board or two of the supervisors must first volunteer to give up their seats. It would also be required that there be written notification of the reduction in supervisors signed by the district board chairman and then sent to the Soil & Water Conservation Commission. The notification would also be sent to the secretary of state to ensure the correct number of supervisors will be on the ballot for the next election cycle.

H403 came about due to one of Idaho's fifty conservation districts only having a two-member board after they were sued and three supervisors resigned. This left the remaining supervisors with some authority to have meetings but no way to hold a quorum and conduct regular business. H403 also specifies that in the event supervisors fail to appoint a replacement within ninety days following a vacancy, the governor will appoint a replacement to solve the quorum problem and allow a district to approve motions. A quorum consists of three supervisors on a five-member board and four supervisors on a seven-member board.

#### MEET THE COMMITTEE CHAIRS

##### Senate Agriculture Affairs - Senator Linda Wright

Hartgen: Graduate of Lewis-Clark State College with a B.S. in business management; Fellow of the Institute of Court Management; employed with the Idaho Supreme Court for 23 years; formerly co-owned and operated a farming and livestock business; Twin Falls

County Clerk; CSI Foundation Board; Kiwanis Club; CARES Board; PEO Sisterhood; multiple statewide court committees; 2020 graduate of Legislative Energy Horizon Institute; 2021 graduate of CSG Legislative Leadership Training (LLT); widowed (Stephen); three children and two stepchildren; six granddaughters; two great-grandchildren. Senator Hartgen is serving her second year in the Senate after having completed 2 terms in the Idaho House of Representatives.

##### House Agriculture Affairs - Representative Kevin

Andrus: Born in Pocatello and raised on a ranch outside of Lava Hot Springs; graduate of Marsh Valley High School; attended Brigham Young University (Idaho) for B.S. in agriculture business; Idaho State University for M.B.A.; served two-year mission for The Church of Jesus Christ of Latter-day Saints in the country of Panama; employed as a rancher and horse trainer on the family ranch. Kevin currently resides in Lava with his wife, Shelby, and six children. Rep. Andrus is serving his third term (6 years) in the Idaho House. His Father, Ken Andrus was also a state representative and former Chairman of the Agricultural Affairs Committee.

#### SEED DISTRIBUTION RULES

Both the House and Senate Agricultural Affairs Committees passed the proposed fee rules governing the production and distribution of seed. The current Idaho State Seed Lab fee structure is much lower than private sector seed labs and surrounding state seed labs. In order to reduce the competitive advantage that the state seed lab has over private sector and surrounding labs, IEOSA submitted a petition to initiate negotiated rule making. IEOSA members and other industry representatives met as a working group to discuss how to establish a fee increase. After multiple meetings, the working group came to the consensus that a 51% fee increase to seed lab testing fees would be appropriate considering a number of factors. ISDA Seed Lab fees have not been increased since 2006 so considering the amount of time since

increasing the fees, inflation was calculated a 51% inflation rate since 2006.

The ISDA's lab is a highly accredited seed lab that is currently fully staffed and produces a quality product. By increasing the Idaho State Seed Lab Fees, seed industry members hope that the quality in services, accreditation, and timeliness of the lab will remain top notch.

**NEW BUDGET PROCESS**

Legislators are separating the state's budgets in a new way this year to expedite the budget setting process and allow for less of a time-crunch at the end of the session. The Joint Finance & Appropriations Committee (JFAC) set \$5.1 billion worth of agency "maintenance" budgets last week, a substantive change of procedure from past sessions. The fiscal year 2025 maintenance of current operations budgets reduce state general fund spending by \$46.6 million, or approximately 1% compared to the 2024 budget.

Legislators are taking a version of the budgets they set last year and pushing them forward for next year as the maintenance budgets. Those budgets don't include new funding requests, line items or replacement items state agencies have requested. The new maintenance budgets also only include a 1% raise for employees, called a change in employee compensation (CEC). The 1% raises are a placeholder until a committee studying state employee pay and benefits makes a recommendation to JFAC later this month. Governor Little has recommended raises of 3% for state employees. With the maintenance budgets now set, JFAC will next turn its attention to considering the new funding requests, replacement items and line items from state agencies, which will be taken up as separate budgets later in the session. To consider the new funding requests, JFAC will have to vote to reopen each state agency budget due to funding already being provided in the maintenance budgets and will set a higher bar for agencies to get new funding.

**ISDA BUDGET**

The Idaho State Department of Agriculture (ISDA) presented their maintenance budget this week at Food Producers of Idaho and before the Joint Finance & Appropriations Committee. ISDA makes their request known to the Governor prior to fall and the Governor makes additions or subtractions, and then makes his recommendation to the legislature. The Governor's recommendation increased the proposed budget of ISDA by approximately \$6.5 million.

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2024 Original Appropriation</b>	<b>225.00</b>	<b>13,084,900</b>	<b>51,183,300</b>	<b>225.00</b>	<b>13,084,900</b>	<b>51,183,300</b>
Exotic Species Deficiency Warrant	0.00	627,900	627,900	0.00	627,900	627,900
Deficiency Warrant Cash Transfer	0.00	(627,900)	(627,900)	0.00	(627,900)	(627,900)
<b>FY 2024 Total Appropriation</b>	<b>225.00</b>	<b>13,084,900</b>	<b>51,183,300</b>	<b>225.00</b>	<b>13,084,900</b>	<b>51,183,300</b>
Executive Carry Forward	0.00	0	593,600	0.00	0	593,600
<b>FY 2024 Estimated Expenditures</b>	<b>225.00</b>	<b>13,084,900</b>	<b>51,776,900</b>	<b>225.00</b>	<b>13,084,900</b>	<b>51,776,900</b>
Removal of Onetime Expenditures	0.00	(70,000)	(1,703,600)	0.00	(70,000)	(1,703,600)
Base Adjustments	0.00	0	0	0.00	0	0
<b>FY 2025 Base</b>	<b>225.00</b>	<b>13,014,900</b>	<b>50,073,300</b>	<b>225.00</b>	<b>13,014,900</b>	<b>50,073,300</b>
Personnel Benefit Costs	0.00	60,000	191,600	0.00	(38,800)	(131,700)
Replacement Items	0.00	0	1,381,700	0.00	0	1,381,700
Statewide Cost Allocation	0.00	15,600	38,100	0.00	15,600	38,100
Change in Employee Compensation	0.00	56,600	166,800	0.00	177,200	515,100
<b>FY 2025 Program Maintenance</b>	<b>225.00</b>	<b>13,147,100</b>	<b>51,851,500</b>	<b>225.00</b>	<b>13,168,900</b>	<b>51,876,500</b>
1. Veterinary Medical Officer	1.00	147,000	216,500	1.00	145,500	215,000
2. Dairy Inspectors	2.00	0	287,600	2.00	0	284,600
3. Seed Lab Personnel	1.00	0	90,300	1.00	0	88,800
4. Idaho Preferred Operating Enhancement	0.00	67,500	67,500	0.00	67,500	67,500
5. Storage Building Construction	0.00	0	1,500,000	0.00	0	1,500,000
6. International Trade Support with Japan	0.00	60,000	60,000	0.00	60,000	60,000
7. Resilient Food Systems Grant	0.00	0	6,184,900	0.00	0	6,184,900
8. CEC for Fruits & Veg. Inspectors	0.00	0	160,800	0.00	0	94,500
9. Honey Commission Increase	0.00	0	5,700	0.00	0	5,700
10. Grazing Improvement Project	0.00	500,000	500,000	0.00	500,000	500,000
11. Quagga Mussel Resources	0.00	0	0	2.00	6,569,900	11,569,900
Revenue Adjustments & Cash Transfers	0.00	0	0	0.00	(5,000,000)	(5,000,000)
Budget Law Exemptions/Other Adjustments	0.00	0	0	0.00	0	0
<b>FY 2025 Total</b>	<b>229.00</b>	<b>13,921,600</b>	<b>60,924,800</b>	<b>231.00</b>	<b>15,511,800</b>	<b>67,447,400</b>
Change from Original Appropriation	4.00	836,700	9,741,500	6.00	2,426,900	16,264,100
% Change from Original Appropriation		6.4%	19.0%		18.5%	31.8%

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