



CAPITOL REVIEW

A WEEKLY LEGISLATIVE REPORT

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CANDIDATE FILINGS

Registration for candidates to run for political office opened on March 4 and will extend through March 15. Each day the website at the Secretary of State becomes more populated with names as additional candidates from across the state enter their names. Candidates receive political donations for campaign expenses through individual donations, PAC (Political Action Committees) donations and organization donations. Several years ago, an agriculture PAC was formed to bring entities together for this purpose. The Agricultural Natural Resource Industry Political Action Committee (ANRIPAC) was created to support legislative and statewide races. ANRIPAC is not involved in Congressional races. Members of ANRIPAC at this time include Food Producers of Idaho, Idaho Alfalfa and Clover Seed Growers Assn.; Idaho Cattle Assn.; Idaho Farm Bureau Federation; Idaho Hay and Forage Assn.; Idaho Noxious Weed Control Assn., Idaho Onion Growers' Assn.; Idaho Potato Industry PAC; Idaho Wheat and Barley PAC; Idaho Wool Grower's Assn.; Marsing Ag Labor; Nezperce Prairie Grass Growers Assn.; and Snake River Sugarbeet Growers Assn. Other agriculture groups have PAC's within their organization to support candidates. It is an important part of the election process and has traditionally had a very strong success rate in the candidates they support. ANRIPAC does their due diligence to be sure they support candidates that have a strong background or voting record related to agriculture and natural resource issues. Now more than ever, it is time for the agriculture community and affiliated industries to support candidates who understand the challenges faced by farmers and ranchers.

THE END IS NEARING

Due to a number of unforeseen factors and disagreements over the budgeting procedures and rules that played out behind the scenes during the first half of the session, the likely end of the session will be March 29 instead of March 22. The Joint Finance and

Appropriations Committee (JFAC) is scheduled to finish budget setting next week and once that happens, the rule of thumb is it takes another two to three weeks to adjourn the session for the year sine die (a term legislators use to signal final adjournment). Legislative leaders set the March 22 targeted adjournment date in November, before the session began. The target was always nonbinding and there is no legal or constitutional requirement to adjourn a legislative session in Idaho by a certain deadline. Following Idaho voters' passage of Senate Joint Resolution 102 in November 2022, the Idaho Legislature also now has the authority to call itself back into session, without the approval of the governor.

Another limiting factor has been that JFAC had not adopted a revenue projection until this week, which is usually done earlier prior to setting state budgets. This revenue target is important because it represents the ceiling for the amount of money legislators can spend in state budgets. The Idaho Constitution requires the Idaho Legislature to pass a balanced budget, where appropriations don't exceed revenues. JFAC members voted 17-0 to set their revenue target for the fiscal year 2025 at \$5.9 billion. Under its new budget process, JFAC signed off on \$5.1 billion in spending during the second week of the session via 10 omnibus budgets that combined almost all state agencies and departments. From there, JFAC continued setting budgets for state agencies and approving supplemental funding requests, including 25 budgets, transfers or supplementals. JFAC had already spent more than \$5.1 billion before it set the \$5.9 billion revenue projection. Along with setting the revenue target for fiscal year 2025, JFAC also revised the revenue projection for the current fiscal year 2024 to \$5.6 billion, which is 5.1% below fiscal year 2023 general fund revenue collections.

DUSTIN MILLER, DIRECTOR OF IDL

You may not know that Dustin Miller, Director of the Idaho Department of Lands, is a graduate of Leadership Idaho Agriculture, Class 28. Dustin was recognized at the recent graduation of Class 44 with the Wayne Meyer Statesman Award presented to an alumnus who has shown dedicated public service. Miller has served as IDL Director since 2018. However, he has been a member of the Governor's Natural Resource Council since 2012 having previously served as the Administrator of the Governor's Office of Species Conservation. Dustin worked for Idaho Farm Bureau earlier in his career as a lobbyist. A graduate of the U of I in the College of Natural Resources, he currently is serving on the CNR Advisory Board. Wayne Meyer was a former State Legislator who was from North Idaho where he farmed Kentucky Bluegrass on the Rathdrum Prairie. Upon his passing the Wayne Meyer Statesman Award was established.

FFA STUDENTS MAKING AN IMPACT

The State FFA recently completed a review of student record books for state degrees, proficiency awards, and state star Awards. Below is the impact that agriculture education has had on Idaho this past year. Here are a few key highlights:

- Ag Ed Students have a direct investment of \$10,318,424 in local communities.
- Student Supervised Agriculture Experiences had a \$20,606,611 economic impact, valued at \$1,346 per student.
- FFA Chapters across the state have had a \$73,016 economic Impact in their communities.
- Hours in Work Based Learning (SAE's): 554,903.
- Hours in Career & Leadership Development Events: 20,815.
- Hours in Local Chapter Activities: 73,454.
- Hours in Community Service: 16,580, valued at \$383,000.

NOTE: If you would like a copy of the complete report please contact our office and we will email it to you.

GRAZING LEASES

S1342 would extend grazing lease lengths to 40 years as a maximum from the current maximum lease length of 20 years on state owned property. This would allow livestock operators who seek those grazing leases to have consistency and predictability when applying for those leases if they were to obtain the grazing lease. There are certain terms and conditions that must be met by the lessee and by having a longer term, it removes the risk that they may lose the lease in a shorter amount of time. By locking in a longer term, it does not absorb the lessee from annual grazing lease rate changes. Each year the Idaho Department of

Lands determines the appropriate grazing rate and this is passed on to the lessees per Idaho Code 58-304.

Additionally, this legislation would exempt grazing leases from the hearing requirement mandated within Idaho Code 58-307(4). This would remove the cost and burden of IDL staff having to travel to each county where a grazing lease would be considered to hold a public meeting. This is supported by the fact that many, if not all grazing leases occur in the unincorporated portions of the county, and away from many urban areas. Grazing does not omit the sounds, noises or smells that one may find with a recreational commercial lease or a mineral lease.

SCHOOL FACILITIES

H521 is the tax bill of the session. H521 is the largest investment ever in school facilities and lowers income taxes from 5.8% to 5.695%. It also has the added benefit of long-term property tax relief because the state would be taking on the expense for many improvements local property owners would otherwise cover through their property taxes. H521 would dedicate \$125 million in ongoing sales tax revenue to the new School Modernization Facilities Fund for bonding. By providing ongoing sales taxes it would provide the legislature with expanded options to cover annual service on the bonds in the event of economic downturns. Next, H521 would increase the funding to the School District Facility Fund. It increases the sales tax revenue directed to the fund from 2.25% to 3.25% which is projected to be \$25 million in FY 2025 and redirects existing lottery dividends to the fund, which is projected to be approximately \$50 million in the 2025 fiscal year. H521 has passed the House of Representatives and is expected to be heard on the Senate floor in the upcoming weeks. Property taxes continue to be a large concern received by legislators from their constituents. This is another way to help lower property taxes without significantly shifting any additional burdens of taxes onto agriculture property.

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