



# CAPITOL REVIEW

## A WEEKLY LEGISLATIVE REPORT

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### A Weekly Legislative Report

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#### MARCH 18 – IDAHO AG DAY

Celebrations will be held around the state in observation of National Ag Day. The Agriculture Council of America (ACA) is an organization uniquely composed of leaders in the agriculture, food, and fiber communities dedicated to increasing the public awareness of agriculture's vital role in our society. The Agriculture Council of America and the National Ag Day program were started in 1973.

The second floor of the State Capitol building will be the center of observation for state officials and public policy makers. So, what do we have to celebrate?

- Idaho has over 24,000 farms and ranches
- We raise over 190 different commodities
- Idaho is the 3rd largest agriculture state in the West and 2nd in farm income
- Agriculture cash receipts in 2022 were over \$11.3 billion to Idaho's economy
- Agriculture Processed food and beverages were over \$13.3 billion

Our top commodities in order of value of production for 2022 census were as follows: milk, cattle and calves, haylage, potatoes, all hay, wheat, barley and sugarbeets in that order.

Idaho agriculture also has:

- 11,547 acres of farm and ranch land
- 505 acres is the average size farm/ranch
- 3,167,499 total irrigated acres
- 57 is the average age of an agriculture operator

Bottom line: Agriculture in Idaho is BIG BUSINESS. Remember on Tuesday, March 18, to take a minute to thank a farmer and rancher in your area for what they do to care for people around the globe.

#### NEW POTATO LICENSE PLATE

The Idaho Potato Commission has brought forth a proposal to create two new license plates to promote the famous Idaho Potato. H204 passed the Idaho House on February 21 by a vote of 69-0-1 and this week the Idaho Senate by a vote of 30-1-4. The measure is now headed to the Governor's desk. H204 creates two new plates: The first plate will be an all black plate with white lettering. The word Idaho will be placed at the top of the plate and the word "World Famous Potatoes" along the bottom. The second plate will be an all white plate with teal lettering. The word Idaho will be placed along the top and "World Famous Potatoes" along the bottom.

#### ASSESSMENT v. TAX

There seems to be a lurking confusion over two words – assessment and tax. This has surfaced recently related to legislation dealing with the Brand Board, Bean Commission and the Alfalfa and Clover Seed Commission. The words are often interchangeable. Perhaps the easiest way to understand the difference is to look at your tax bill.

Assessment: Is done by a totally different arm of government – the county assessor, where they come and appraise the value of your assets.

Tax: Is set by the County Governing Body, in Idaho County Commissioners. That is who sends you your tax bill. It is mandated by law that you must pay the tax.

By Idaho Law, established in Idaho Code by the Legislature there is an ability for a commission or department of a government agency i.e. the Brand Board to have fees for operation. In commodity commissions those fees are usually used for promotion, education and research. In the case of the brand board, they are to perform services for the livestock industry. The assessment, however, is set by the brand board and commissioners appointed by the governor who oversee the operations and functions of a commodity group. Assessments in the case of the groups we are discussing are set by the producers themselves who use the service or benefit from the work of the commission. This seldom is unclear in the minds of people in agriculture. We often hear producers say when referring to a commodity they raise that they pay an assessment to their commodity organization to handle the promotion of their product, to keep them informed on issues related to their commodity and to fund research that helps to protect and advance the production of their commodity. We do not hear producers refer to this as a tax. You will hear producers talk about taxes when they are talking about property tax, income tax or sales tax.

### AGRICULTURAL PROTECTION AREAS

In 2024, the Idaho Legislature passed the Agricultural Protection Area Act, allowing landowners with at least five acres of actively farmed or forested land for the past three years to apply for a 20-year agricultural protection area. However, some county ordinances currently prevent landowners from applying for an APA if their property is located within or near a city's area of impact. S1133 addresses this issue by clarifying that applications can be submitted for land both inside and outside these areas, ensuring broader access to the program. This legislation also improves the application process by streamlining decision-making. Under S1133, the APA commission reviews applications and provides a recommendation to approve or deny. That recommendation is then forwarded to the planning and zoning administrator, who makes the final decision. Originally, S1133 included a financial incentive through a voluntary APA fund to encourage landowners to participate. However, after concerns were raised by legislators, the provision was removed. With this revision, S1133aaS successfully passed the Senate floor on Friday morning by a vote of 27-7. Miguel Villafana (Greenleaf) and Shane Alder (Melba) testified before the Senate Local Government Committee this week in support of S1133. Both emphasized the need for this tool to signal their commitment to keeping their land in agricultural production for years to come. They also shared their frustration with current restrictions that prevent them from applying for an Agricultural Protection Area (APA) simply because their land falls within a city's area of impact.

### WATER

Senate Bill 1128, sponsored by Senator Van T. Burtenshaw, allocates \$30 million in ongoing investments to Idaho's water infrastructure, ensuring long-term water security for communities across the state. These funds will support critical projects such as aquifer recharge, groundwater management, water storage and conveyance system development, supply and delivery improvements, and emergency infrastructure repairs. To ensure equitable distribution, no more than 50% of the funds may be allocated to a single water board district unless there are no competing applications in other districts during the fiscal year. By supporting S1128, the Legislature reaffirms its commitment to proactive and sustained investments in Idaho's water future, recognizing that responsible water management is a shared responsibility among all Idahoans. S1128 passed out of the Joint Finance and Appropriations Committee 15-5 Friday morning.

### BRAND BILL AND RIGHT TO FARM ADVANCE

This past week highlighted the Right to Farm legislation and brand bill as advancing out of House Agricultural Affairs Committee. The Idaho Brand Department fills the important purpose of facilitating the transparent movement of cattle through the primary service of providing brand inspections, which prove the ownership of livestock. The department also operates in the capacity of investigators of cattle ownership and when required, to resolve conflict or prove theft. The brand board is seeking to adjust fees through S1016.

Idaho Right to Farm Act protects production agriculture. The Act protects lawfully conducted agricultural operations but lacks the practical protections for meritless lawsuits or complaints. This legislation provides that if a lawsuit alleging nuisance is filed against a lawfully conducted agricultural operation and the agriculture operator prevails, then they are entitled to recover their attorney's fees. It also provides fines and penalties for filing meritless complaints with applicable state and local agencies. This bill adds to code to establish infraction and fee in the following levels: 2nd offense for meritless complaint within 2 years- infraction & \$150 fine, 3rd offense for meritless complaint within 2 years- infraction & \$300 fine, 4th offense for meritless complaint within 2 years- misdemeanor.

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