“A truly American sentiment recognizes the dignity of labor and the fact that honor lies in honest toil.” - President Grover Cleveland

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Tax Commission Sideboards Bill Advances

This week the House Revenue and Taxation Committee, chaired by Rep Gary Collins (R-Nampa), unanimously approved H164. The bill, sponsored by the Idaho Association of Counties, is designed to put some sideboards on the Tax Commission’s power to force a county to reassess a class of property within their county.

Over the past number of years, several Idaho Counties have been forced by the Tax
Commission to raise the valuation of all agricultural lands within the county. In many instances the increases have been by as much as 100 to 200%. This has caused much frustration for landowners, as well as the county assessors and county commissioners.

Unfortunately, sometimes the Tax Commission has not given notice to the county until after the Board of Equalization has already concluded their work, which effectively prohibits any landowner from appealing their newly increased assessments. Perhaps even more troubling, despite the assessor having collected reliable local data as to the value of the ag lands, the Tax Commission ordered counties to raise their assessments anyway, without providing any supporting data or rationale as to why the local data was incorrect.

H164 requires the Tax Commission to provide notice to the county assessor and the county commissioners no later than the first Monday of April, if they believe a classification of property has not been properly assessed in a county. Without that notice, the Tax Commission cannot force the reassessment. H164 also requires the Tax Commission to include any “findings, reports or other documentation supporting the position of the tax commission” with the notification. This will assist the county in determining if their data is truly in error or not.

 Commissioner Bryon Reed from Bonneville County did a great job of explaining why the bill is necessary to protect the counties and the taxpayers from some of the tactics that the Tax Commission has used over the past several years. IFBF policy #96 supports limiting the Tax Commission from compelling a county to reassess property after a certain date. IFBF supports H164.

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**Levy Election Transparency Bill Advances**

This week H103 was approved in the Senate Local Government and Taxation Committee, chaired by Senator Jim Rice (R-Caldwell). H103 is sponsored by Rep Doug Ricks (R-Rexburg).

H103 provides greater transparency for taxpayers. Currently, whenever a tax levy appears on the ballot, the only information given is the total dollar amount of the levy and the duration of years. H103 would also require the ballot to disclose how much the levy would raise taxes per $100,000 of taxable value.

This helps taxpayers know how much the new levy will cost them each year and to make an
informed decision. H103 has already passed the House and will now receive consideration by the entire Senate before moving to the Governor for his signature. **IFBF supports H103.**

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**Bill to Raise Horse Brand Inspection Fees Passes Senate**

The Senate passed Senate Bill No. 1082 this week sending it to the House of Representatives for hearing Agricultural Affairs Committee. SB1082 proposes raising the cap for lifetime horse brand inspections from $35 to $75, raising the cap for individual horse brand inspections from $1.50 per head to $10, and raising the cap for minimum equine farm service fees to $55 for cases where a brand inspector must travel from his assigned post to perform a brand inspection.

IFBF Policy # 12 states “[w]e support eliminating the mandatory brand inspection for equine in Idaho. We support an option for having a brand inspection for the lifetime of ownership for the equine. We support raising the fee for the lifetime inspection.” Although IFBF fully supports the mission and purpose of the brand board, we do not believe the proposed action will resolve the funding issues that have been identified. Our members believe eliminating the requirement for horse brand inspections will be a more productive solution to the funding problem, while allowing for a horse brand inspection for those who travel to states that still require one. **IFBF opposes SB1082.**

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**H176 - Potato Grower, Shipper, Processor Definitions**

Last week, the House Agricultural Affairs Committee held a hearing on a piece of legislation that would revise the definitions of potato growers, shippers, and processors in Idaho Code. H176, a bill sponsored by Representatives Britt Raybould (R-Rexburg) and Megan Blanksma (R-Hammett), amends the definitions to read as follows:

- The term "shipper" means and includes one who is properly licensed under federal and state laws, actively engaged in the packing and shipping of potatoes in the primary channel of trade in interstate commerce in the state of Idaho, who does not provide the primary management to a growing or processing operation, and who ships more than he produces.
• The term "grower" means one who is actively engaged in the growing of potatoes on five (5) or more acres in the state of Idaho, and who does not provide the primary management to a shipping or processing operation.

• The term "processor" means a person who is actively engaged in the processing of potatoes in the state of Idaho for human consumption.

These definitions determine a stakeholder’s participation in dealings with the Idaho Potato Commission. The changes are important as the potato industry has significantly changed since the statute was originally written and last amended. These days, many growers also participate or have vested interest in the shipping, packaging, and processing of potatoes. The Committee passed the bill, sending it to the House floor where it was heard on Friday and passed unanimously.

H121 - Processed Potato Negotiating Period

A bill dealing with contracts negotiated between potato processors (not dehydrating processors) and processing producer associations was heard in the House Agricultural Affairs Committee this week. H121 creates a time-period (Oct. 31 – Mar. 15) for a producer association and potato processor to negotiate an agreement for the purchase and sale of raw potatoes for processing.

Contracts must be negotiated in “good-faith” and may include the price, terms of sale, and compensation for products produced for preseason fry contracts. If a potato processor and producer association fail to reach an agreement within the specified time-period, then members of a producer association may negotiate individually with potato processors. This bill does not affect those producers who do not participate in, or are a part of, any processing producer association.

H121 was passed out of committee and sent to the House floor with a do-pass recommendation. Farm Bureau is monitoring H121.

House Passes Memorial to Stabilize Rural Tax Base
This week the Idaho House of Representatives passed House Joint Memorial No. 5 which urges Congress to pass federal legislation to require “that when private lands are exchanged, purchased, or transferred to the federal government that other federal lands within the county”—of substantially equivalent value—"must be sold." This would stabilize county tax rolls. The bill will now move to the Senate for hearing in the Resources and Environment Committee chaired by Senator Lee Heider (R-Twin Falls).

For a detailed explanation of HJM005, please see the February 22, 2019, edition of Capitol Reflections. IFBF Policy # 44 refers to government land transaction and states we support “[n]o net loss of private property.” IFBF supports HJM005.

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**House Passes Memorial to Release Wilderness Study Areas for Multiple-Use Management**

The House of Representatives passed House Joint Memorial No. 8 which urges Congress to release more than 500,000 acres for multiple-use management that is currently being held in Wilderness Study Areas. In 1991, the BLM determined that these lands were not suitable for wilderness area management, but they have not been released for multiple-use management. The bill will now move to the Senate for hearing in the Resources and Environment Committee chaired by Senator Lee Heider (R-Twin Falls).

For a detailed explanation of HJM008, please see the February 22, 2019, edition of Capitol Reflections. IFBF Policy # 62 states, in part, that we oppose “[a]ll dedication of land in Idaho for wilderness and roadless areas and support the release of lands currently held in Wilderness Study Areas (WSA) back to multiple-use management. All lands designated as non-suitable for wilderness must be immediately released from WSA status.” IFBF supports HJM008.

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**Elk Depredation Bill Passes Senate Committee**

The Senate Resources and Conservation Committee heard House Bill No. 80 on February 25,
2019. HB080 proposes to amend Idaho Code 36-1108 which allows Idaho Fish and Game (IFG) to compensate farmers for damage caused by wildlife to “growing or matured crops.” HB080 would also allow IFG to compensate farmers for damage caused by wildlife to “prepared seedbed ground, or irrigation equipment.” The committee heard testimony from the bill sponsor, Senator Kelly Anthon (R-Burley), Idaho Fish and Game, and IFBF, and voted unanimously to send the bill to the Senate floor with a “do pass” recommendation.

Idaho Farm Bureau Policies # 64 and 67 support damage control programs for destructive wildlife and Idaho Fish and Game paying landowners for damage caused by wildlife. IFBF supports HB080.

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Idaho Forest Group and Department of Lands Present

This week the House and Senate Resource Committees held a joint hearing to listen to presentations from both the Idaho Forest Group and the Idaho Department of Lands. Tom Schultz, from the Idaho Forest Group, gave the legislators a presentation on the overall health of Idaho forests. The first half of his presentation had a very bleak outlook. He told legislators, “(We have) quite a mess on our hands.” Schultz reported different stats and information which gave an idea on just how unhealthy Idaho forests are.

Talking about overstocked tree/timber stands, Schultz reported we are currently sitting around 100 to 200 an acre, while 40 to 50 is considered healthy. This overstock is a risk to catastrophic wildfires, and the current trend is that there are more trees dying then growing in our forests. Though there are many factors in this trend, he emphasized insects and disease problems in Idaho, stating “Idaho has more forest at risk than any other state.” When it comes to insects and disease, 25% of the trees are at risk of mortality within the next 15 years and fire is also a concern. He stated there is an increase in the number of fires and the length of the fire seasons. Schultz told committee members 70% of Forest Service lands are in need of treatment, either through thinning, controlled burns, etc.

Overall, the health of Idaho forests is not good. Shultz emphasized the mortality rate has surpassed net growth in these forests. “That’s the take away,” he told legislators. Management of treatments for forests are key in moving forward. Shultz referenced the 6 billion board feet per year that Secretary Perdue often mentions in terms of harvest. We are currently around 2 billion board feet a year being harvested. Shultz told legislators the more harvest they see, the
healthier the forest, there is a correlation.

The last portion of his presentation was to explain the plan moving forward with the conditions we are seeing. Shultz mentioned the “3 Ps: Purpose, People and Performance.” The idea is to have a clear understanding of what needs to happen, with purpose, and then work together in collaboration with diverse groups to achieve conservation efforts. The Good Neighbor Authority (GNA) and Shared Stewardship agreement were also mentioned. Shultz believes Idaho is making good strides with these programs.

As for GNA, Idaho is 2 years ahead of Montana in the implementation of this program. Under the Shared Stewardship agreement, Idaho is working across many different ownerships to try and manage more forests acres. Shultz stressed the importance of increasing the number of acres being treated. He explained that if we stay on our current path, it will take over 60 years before we will start seeing healthier forests. By doubling our efforts and the number of acres treated we could begin to see much healthier forest within 30 years.