

Capitol Reflections



2016 Legislative Session

In this issue

Career Technical Ed, pg. 1

Retiring Legislators, pg. 1

Legislation Tracked, pg. 2 - 4

*"If a businessman makes a mistake, he suffers the consequences.
If a bureaucrat makes a mistake, you suffer the consequences."*

Ayn Rand

Eight Legislators Retiring

The legislature has now adjourned Sine Die as of Friday, March 25, 2016.

Eight legislators have announced that they will not seek re-election. They are Representatives Gayle Batt (R-Wilder), Donna Pence (D-Gooding), Ken Andrus (R-Lava Hot Springs), Linden Bateman (R-Idaho Falls), Reed DeMordaunt (R-Eagle), Dan Rudolph (D-Lewiston), Senators Roy Lacey (D-Pocatello) and Curt McKenzie (R-Nampa). We appreciate all the time and effort they have put into serving in the Idaho Legislature.

A recap of many of the bills that were important to the members of the Idaho Farm Bureau Federation begin on page two.

College Career-Technical Education gets Ten Percent Increase

H625 gave Idaho's six colleges with technical programs, CSI, NIC, SCWIU, LCSC, ISU, and EITC, a 10% larger appropriation for career-technical education postsecondary programs. The money will be used to build greater capacity in those programs. The overall increase in this year's appropriation was 10.4%, so it is apparent that the focus was on CTE.

Dwight Johnson, Director of Career-Technical Education for the Department of Education, championed increased CTE funding prior to the 2017 Legislature. Mr. Johnson had spent well over a year talking with college administrators and advisory committees about "kindergarten to career" education. Among the first to speak about this issue with him was Bob Konen, Nez Perce County Farm Bureau President, and LCSC CTE Advisory Committee member.

Bob told Dwight that the cost of updating an engine for student use in the LCSC's diesel mechanics program is forty-thousand dollars, and updates were often cost-prohibitive. Most graduates of the program had little trouble finding employment but were not job ready after

completing their training. These graduates keep the trucks and other machinery running in North Idaho and the surrounding region's agriculture, mining and timber industries.

Dwight subsequently met with LCSC's technical advisory committee. This meeting led to further meetings with other institutions and this year's budget request, H625. Our thanks to Bob and Dwight for recognizing the importance of the career-technical education programs and especially, to Dwight for advocating the increased funding. The programs benefit industry and provide employment to people as well.

The bill has passed the House and Senate, Rep. Steve Miller (R-Fairfield) was House sponsor and Sen. Steve Thayn (R-Emmett) was Senate sponsor. H625 is consistent with IFBF policy 154 Professional Technical Education, which says *"We support enhanced funding for Idaho's Professional Technical Education Agricultural Science and Technology courses and programs."* **IFBF supports H625** as well as Food Producers.



Idaho Farm Bureau's Governmental Affairs Report

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Legislation of Interest to Farm Bureau Members

H383 Aquaculture Commission Repeal

Terminates operations and repeals the Aquaculture Commission enabling statute at the request of the aquaculture industry. The legislation turned the fund balance over to the Idaho Aquaculture Association. **LAW - Farm Bureau policy 4 supports**

H386 Production Exemption

Provides a more clear line between equipment that qualifies for a sales tax exemption under the production exemption for farming purposes and equipment that does not qualify for the exemption. H386 specifies that farm equipment used to remove commodities from storage on a farming operation is properly included in the production exemption. **LAW - Farm Bureau policy 127 supports**

H399 Animal Care/Torture of Companion Animals

Would provide felony penalties for the torture of companion animals and also amends the definition of a companion animal to include any horses that are not used exclusively as production animals. This means the horse you use to move cattle all year long, yet use for a trail ride once in a while would be considered a pet rather than a production animal. **Held in committee - Farm Bureau policy 17 opposes**

H400 Raising State Minimum Wage

Would increase the minimum wage in Idaho above the current federal minimum wage. The wage would become \$8.25 per hour on July 1, 2016, and then \$9.25 on July 1, 2017. Also makes commensurate increases in wage rates for tipped and seasonal workers. **Held in committee - Farm Bureau policy 112 opposes**

H425 Federal Tax Compliance

Conforms Idaho tax law with federal tax changes implemented by Congress during 2015 so business owners do not need to keep two sets of books. H425 includes permanent Section 179 small

business expensing up to a maximum level of \$500,000 per year. **LAW - Idaho Farm Bureau supports (AFBF policy 439 supports)**

H431 Remove Indexing from Homeowner's Exemption

Removes indexing feature of homeowner's exemption from property taxes which has been causing the exemption to change each year and shifts taxes from residential property to other property classes including farmland. H431 would maintain the homeowner's exemption at fifty percent of a home's value, but sets the maximum amount of the exemption at \$100,000. **LAW - Farm Bureau policy 116 supports**

H463 Ban on Minimum Wage Initiatives

Bill would ensure that all counties and cities within the state of Idaho abide by the minimum wage set by the state, and prohibits them from establishing higher rates. **LAW - Farm Bureau policy 112 supports**

H469 Noxious Weeds, Research Facilities

Adds the definition of private research facility to aquatic noxious weed research statute and brings those entities under the regulation of the Idaho State Department of Agriculture. **LAW - Farm Bureau policy 93 supports**

H499 Food Regulation

Establishes a framework that transitions food safety oversight for processing facilities from the Idaho Department of Health and Welfare to the Idaho State Department of Agriculture as federal Food Safety Modernization Act (FSMA) implementation progresses. It is anticipated that FSMA will rely heavily on states for food safety inspections. The bill provides for a future process to be in place as the federal law is implemented. **LAW- Farm Bureau supports**

H512 Community College Trustee Zones

Ensures that representation by trustee members is distributed evenly throughout a community college district by utilizing the same processes for zoning and rezoning within the district that Idaho Code already requires of school districts. In the event a community college seeks to expand, this legislation appends the existing process of seeking State Board of Education approval by adding the rezoning plan to the request for approval. **LAW - Farm Bureau supports**

H524 Felony Torture of Companion Animals

Provides felony penalties for the torture of a companion animal (pet) on the second conviction; or upon the first conviction of a person who has previously been convicted of a felony against a human within the past ten years. Also amends the definition of a companion animal to exclude production animals, and clarifies the definition of cruelty to animals to remove references to activities most commonly attributed to production animals such as "overdrive, overload or overwork." **LAW - Farm Bureau policy 17 opposes**

H531 Ag Facilities

Creates fines and penalties for spreading or attempting to spread, a disease or poison on a farm, ranch or processing facility. Allows for civil action, restitution and consumer litigation by injured parties. **LAW - Farm Bureau policy 19 supports**

H535 Capital Gains Deduction, Livestock

This is a true housekeeping bill that cleans-up language from H133 last legislative session, which Farm Bureau supported. Last year, H133 provided an exception to the requirement that a partner or a shareholder in a company must have at least one-half of their income come from farming or ranching in order to qualify for a capital gains deduction on Idaho income tax when the company

Legislation of Interest

continued from page 2

or partnership sells breeding livestock. H535 removes the original requirement as well as the exception that was put into place last year so the language is more clear. **LAW - American Bureau policy 439 supports**

H581 Sales and Use Tax Collection, Retailer Defined

Redefines an Idaho retailer to include almost all retailers located outside of Idaho. Would require the collection of sales tax by retailers outside of Idaho, including internet sales. **Held in committee - Farm Bureau policy 127 opposes**

H582 Idaho Multiple-Use, Sustained Yield Act

Sets up the framework of how new public lands would be managed in Idaho if Idaho is given the opportunity to manage lands currently administered by the federal government. Also protects and recognizes any private rights that currently exist on federally administered lands. **Held in committee - Farm Bureau policy 59 supports**

H586 No New Federal Lands

Would require the federal government to seek and receive consent from the state legislature prior to the federal government acquiring any additional land within Idaho as required in the U.S. Constitution. **Held in committee - Farm Bureau policy 58 supports**

H606aaa Urban Renewal

This began as a bill to put more sideboards on urban renewal districts and to protect taxpayers. After amendment, it became a bill to protect urban renewal districts at the expense of taxpayers. It now allows any existing urban renewal district to modify its plan at any time with no consequences. This means that existing urban renewal districts will never expire since they can modify their plan anytime and get an additional 20 years of life. Urban renewal districts cause taxes of all citizens in a county to be higher than they otherwise would be and there

is no accountability to taxpayers. **To the Governor for signature - Farm Bureau policy 131 opposes**

H625 Appropriations Career Technical Education

Increases career-technical program capacity at Idaho's six colleges with those programs by adding a total of ten percent to the FY 2017 appropriation for career-technical postsecondary programs. **LAW-Farm Bureau policy 154 supports**

H633 Sales Tax on Remote Sales – Income Tax Reduction

Combines H581 that was rejected with a modest reduction in the income tax rate. H633 redefines an Idaho retailer to include almost all retailers located outside of Idaho. It would require the collection of sales tax by retailers outside of Idaho, including internet sales. Since this policy would result in somewhere between \$15 – 30 million in extra revenue, it was paired with a reduction of one-tenth of one percent in the rate of income tax in each bracket, which would reduce tax revenues by approximately \$27 million. **Held on the third calendar reading - Farm Bureau policy 127 opposes**

HJM 13 Sage-grouse conservation plan

This Joint Memorial asks Congress to allow ten years for the State of Idaho to collect and analyze data before implementing the federal land use plan amendments directed at Sage grouse conservation. It also requests that no federal funding be made available for any proposed regulation during that time. **Adopted - Farm Bureau policy 94 supports**

HCR38 – National Day of the Cowboy

This concurrent resolution recognizes the history, power and impact of the cowboy in our society and asks for Idaho to observe a National Day of the Cowboy each year on July 25th with appropriate ceremonies and activities.

Adopted – Farm Bureau supports

HJR3 – Same-sex Marriage Ban/ Constitution Repeal

The joint resolution proposes an amendment to the Idaho Constitution to repeal the provision that bans same-sex marriage. **Held in committee – Farm Bureau beliefs and philosophy opposes**

HJR5 Constitutional Amendment for Legislative Rules Review

Proposes an amendment to the Idaho Constitution to ensure that the state legislature will continue to have authority to review all agency rules. Legislative review is important to ensure rules are compatible with the spirit and intent of the underlying statute. Voters will have to approve by a simple majority at the general election this fall. **To the Governor for signature - Farm Bureau policy 184 supports**

S1204 Medicaid Expansion

Would expand Medicaid to include all individuals earning below 138% of the federal poverty line as encouraged by the Patient Protection and Affordable Care Act, or Obamacare. This would provide a new entitlement for approximately 78,000 Idahoans who are able-bodied adults who earn more than 100% of the poverty level, but too little to be eligible for subsidies in the state health exchange. **Held in committee - Farm Bureau policy 170 opposes**

S1214 Livestock Trader Lots

Closes a loophole in current law that allows trichomoniasis test-eligible bulls to be removed from a trader lot and returned to the country for breeding purposes without the appropriate trichomoniasis testing. Also, it gathers all definitions and livestock removal requirements for approved feedlots, approved trader lots, buying stations, livestock dealers, and livestock markets and consolidates them in one code section. Currently, these definitions and removal requirements are found in various places in code and rule. **LAW - Farm Bureau supports**

Legislation of Interest

continued from page 3

S1215 Pesticide Management Commission Repeal

Terminates operation and repeals the Commission on Pesticide Management enabling statute. The privately-funded Commission was unable to fulfill its mission and became inactive. Other industry entities were accomplishing Commission objectives. **LAW- Farm Bureau policy 4 supports**

S1229 Trucks, Interstate Highways

Enables 129,000 pound trucks to use federal highways in Idaho by naming them as designated 129,000 pound truck routes. This legislation completed years of effort to allow heavy trucks on city, county, state and federal roads in Idaho. **LAW - Farm Bureau policy 192 support**

S1248 Charter School Contracts

Allows public charter schools to adapt their teacher employment contracts to better fit the unique needs of their students, teachers and schools. Removes the requirement to use standardized contracts approved by the State Board of Education. **LAW - Farm Bureau policy 148 supports**

S1338 Catastrophic Public Nuisance

Provides a mechanism for county governments to declare a catastrophic public nuisance on federally managed lands and request abatement by federal agencies. Such actions will encourage federal agencies to work with county governments and coordinate efforts to protect both the land and the safety/welfare of the public. **LAW - Farm Bureau policy 59 supports**

S1340 Bees & Beehive Depredation

This bill adds bees and beehives to the possible claims that can be made to the Department of Fish & Game to receive depredation compensation from the Expendable Big Game Depredation Account. **LAW - Farm Bureau policy 83 supports**

S1346 Medical Savings Accounts

Gives state employees the option of choosing the currently offered health insurance, or a high deductible health insurance plan paired with a Health Savings Account (HSA). The state may fund the HSA with up to sixty percent of the insurance plan deductible. S1346 would not cost the state any additional money as savings in the cost of the high deductible plans would be used to fund the HSA. **Held in committee - Farm Bureau policy 166 supports**

S1360 Rules, Incorporation by Reference, Changes

This bill requires that when there is a proposal to change any materials that have been previously incorporated into a rule by reference, the agency must provide a comparison between the old materials and the new which would be incorporated. For example, if a DEQ rule incorporates a guidance document concerning storm-water runoff mitigation measures into its rule by reference, it must present any changes that are proposed to the referenced materials so the legislature can determine if they want to continue to include the reference to the material in Idaho rules or not. **To the Governor - Farm Bureau policy 184 supports**

S1388 – Tax Deed / Party of Interest

This bill clarifies the scope and effect of Idaho's statutes governing tax deeds and private easement such as public utilities, ditch rights, public highways, conservation easements, etc. across subject properties.

Sent to Governor for signature – Farm Bureau supports

S1414 – Appropriates / Wolf Control Funds Transfer

This appropriation bill transfers \$400,000 from the General Fund to the Wolf Control Fund. These funds are to be used for the continued implementation of the Idaho's Wolf Management Plan administered by the Wolf Control Board. **Sent to the Governor for signature – Farm Bureau policy 98 supports**

SCR136 & SCR137 Aquifer Recharge

These concurrent resolutions recognize the established Eastern Snake Plain Aquifer managed recharge goals and requests that the Idaho Water Resource Board identify and implement aquifer stabilization and enhancement projects throughout the state. **Adopted - Farm Bureau policy 34 supports**

SJM104 Aquatic Invasive Species Prevention

This joint memorial thanks the United States Army Corps of Engineers for their four million dollars to help fund the watercraft inspection stations throughout the state, and requests that Congress ensures such appropriations in fiscal year 2017. **Adopted - Farm Bureau policy 93 supports**

Questions?

Email staff at
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