

Idaho Legislative Update – December 2013

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Insight — 12/12/2013

We are less than a month away from the start of the 2014 Idaho legislative session. As is tradition, the legislature will officially kick off with the Governor's State of the State Address on Monday, January 6th. Immediately following the State of the State Address, the legislature will quickly get to work with committee hearings, highlighted by the Joint Finance and Appropriations Committee meetings that will begin with the Governor's budget recommendations.

The political makeup of both the Idaho House and Senate remain the same going into the 2014 session, with the House of Representatives consisting of 57 Republicans and 13 Democrats, and the State Senate at 28 Republicans and 7 Democrats. Also, it should be noted that 2014 is an election year in Idaho, and the primary election will be held in May, which should translate to a shorter session with less controversial bills. This would be in stark contrast to the 2013 Idaho legislative session which turned out to be the 7th longest in Idaho history.

Budget: Idaho General Fund receipts for November 2013 were \$199.6 million, which is \$8 million (4.2 percent) higher than originally forecasted. Stronger than expected individual and corporate income tax collections were high enough to offset a slightly lower than expected sales tax revenue in November. Tax revenues to date for the fiscal year are now almost exactly on forecast, running roughly \$6.5 million (.6 percent) ahead of predictions.

Budget Hearings: The Joint Finance and Appropriations Committee will spend the first four weeks of the legislative session hearing budget request presentations from state agencies and departments. As is tradition, JFAC will first hear Governor Otter's budget recommendation that will be delivered by Jani Revier, the very capable Administrator of the Governor's Office of the Division of Financial Management.

Rule Making: The first few weeks of every Idaho legislative session consist of relevant committees holding public hearings on administrative rules that have the force and effect of law and as such are subject to a comprehensive process that includes review and approval by the Idaho Legislature in order to become final and enforceable. Despite the low level of attention the rule-making process receives, the effects can be real, and Idaho is one of only three states in the nation that provides the legislature with the authority to amend, modify, or reject rules.

Key Issues Facing the 2014 Legislature: A few issues the legislature could address in 2014, or very possibly delay due to the election year, include proposals to eliminate the personal property tax, education reform

and additional funding measures, transportation funding, Medicaid expansion, eminent domain related matters, developing an NPDES program to give the State of Idaho primacy, health and welfare related matters, tax issues, and much more. A more detailed analysis will be included in the next legislative update as we get closer to the start of the legislative session.

Legislative Interim Committees: A handful of legislative interim committees met throughout the year, and some of them will be introducing legislative recommendations at the upcoming session. The interim committee that received the most attention and met three times over the summer and fall was the Federal Lands Interim Committee. This committee was the result of a resolution that was approved by the legislature last session that called for all public lands in Idaho to be transferred into state ownership. The resolution included a companion measure that asked for an interim committee to examine the land transfer issue in greater detail and report back to the 2015 Idaho Legislature with its findings. Other interim committees that met throughout the year included the Natural Resources Interim Committee, the Energy, Environment and Technology Interim Committee, the Health Care Task Force, the Public Defense Reform Interim Committee, the Wind Energy Task Force, The Capitol Services Committee, the Criminal Justice Reinvestment Committee, and the K-12 Educational Systems Interim Committee. Agendas, presentations, and minutes from these interim committee meetings can be found by clicking [here](#).

Finally, I will be moderating a legislative panel hosted by Holland & Hart of the Northwest Environmental Business Council on Thursday, December 19th, at 11:30 AM in downtown Boise. Senator Monty Pearce, Chairman of the Resources and Environment Committee, and Representative Lawrence Denney, former Speaker of the House and current Chairman of the Resources and Conservation Committee, will discuss environmental and public lands issues to be considered by the Idaho Legislature during the upcoming session. For questions, please contact David Stanish at distanish@hollandhart.com.

Please contact me if you have any questions or comments.

Happy Holidays!

Jonathan

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