

Idaho Legislative Update - March 2014

Insight — March 2014

The Idaho Legislature is in full swing as they begin the ninth week of the 2014 session. Legislative Leadership has set a target adjournment date of March 21st, which is almost exactly two months out from Idaho's primary election, and it looks like they might meet that deadline. Here are some of the highlights from the 2014 session:

Budget: The Joint Finance and Appropriations Committee started setting the budget for Idaho's public schools on Monday. The committee approved a 5.1 percent increase in state general fund spending, at a total appropriation of nearly \$1.7 billion; this budget reverses \$35 million in cuts that were a result of the recession. The public schools budget is the single largest share of Idaho's state budget and often the most contentious; in fact, last year the Senate's rejection of this budget kept the Legislature past the original adjournment goal date. The Committee will continue to meet every morning this week to set a balanced fiscal year 2014 budget.

Dominant Issues Facing the Legislature: A few issues that I predicted would surface during the 2014 session have been brought to fruition, and some have already passed both houses of the Idaho Legislature. A few other unexpected, and definitely controversial, issues have also surfaced in the Legislature. Here is a run-down of some of the issues that are getting the most amount of attention at the Capitol and in the press:

- **Guns on Campus Legislation:** After a 7-hour hearing, the House State Affairs Committee voted on Friday in favor of Senate Bill 1254, which would allow concealed firearms on Idaho's public college campuses under certain circumstances. The bill would only allow retired law enforcement officers or people who have Idaho's new enhanced concealed carry permit to have concealed weapons on campuses. The legislation also includes exemptions that don't allow for concealed weapons in dormitories or in large entertainment venues with attendances of 1,000 people or more. The bill is sponsored by State Senator Curtis McKenzie, a Republican from Nampa, and it passed the Senate earlier this month. The final hurdle for this legislation is passage on the House floor, as Governor Otter has indicated that he will sign the legislation into law.
- **Pollution Discharge Permit Bill:** A bill which would authorize the state of Idaho to assume the function of permitting and enforcing NPDES (National Pollution Discharge Elimination System) programs, House Bill 406, has passed both houses of the Idaho Legislature and now moves to the Governor for his consideration. Idaho is currently just one of four states without this program, and it

has been studying the feasibility of operating it for over 15 years. The Idaho Association of Commerce and Industry is the primary driver of the legislation, and it received far-reaching support, which was reflected in the bill receiving a unanimous vote in both the Idaho House and Senate.

- **Justice Reinvestment Bill:** The Idaho Senate voted unanimously last week in favor of Senate Bill 1357, and it now heads to the House for a hearing in the House Judiciary Committee. The bill aims to reduce Idaho's high recidivism rate by investing in reforms to the State's probation and parole system and community treatment programs, while moving to prioritize prison space for more violent offenders. The legislation is sponsored by Senate Judiciary Chair Patti Anne Lodge and House Judiciary Chairman Rich Wills.
- **Religious Liberty Proposals:** A bill which outlined a plan to shield religious people from the threat of having their professional licenses revoked for refusing service or employment to those they conclude violate their religious beliefs has been pulled from the House and is dead for the year. House Bill 427 was in response to a New Mexico case in which a wedding photographer was penalized for refusing to photograph a same-sex wedding. The legislative proposal received a great deal of attention in the press and at the Capitol, as it drew more than 500 people to the Capitol to testify in opposition to the bill. There is a good likelihood that this bill could resurface in 2015.
- **Dairy Spying Legislation:** One of the more controversial bills this year that garnered both local and national attention, and one that was a surprise to many, was the so-called "ag gag" bill that was brought forward by Idaho's dairy industry. The legislation threatens people who secretly film animal abuse at Idaho's agricultural facilities with jail and fines, and was in response to videos released by a California-based vegetarian and animal rights group showing workers at an Idaho dairy abusing animals in 2012. The bill passed both houses of the Idaho Legislature, and was swiftly signed into law by the Governor on Friday.
- **Business Tax Incentive Legislation:** House Bill 546, which is being promoted by Idaho Commerce Director Jeff Sayer, and many in the Idaho business community, passed the House Revenue & Taxation Committee on Friday in a near unanimous vote. The bill would allow the State to consider rebating up to 30 percent of a company's corporate income tax, sales tax, and payroll tax, and would apply to both current and new companies to Idaho. The bill was approved on the House floor earlier today on a 63 to 5 vote, and now goes to the Senate.
- **Proposal to Lower Idaho's Income Taxes:** With a goal of lowering Idaho's top income tax rate down from the current 7.4 percent to 6.8 percent to be more competitive with our neighborhood states, House Majority Leader Mike Moyle presented a bill to the House Revenue & Taxation Committee that would cut state individual and corporate income tax rates by a tenth of a

percent each year for the next six years. House Bill 548 was supported by the House Revenue & Taxation Committee last Friday, and received approval on the House floor with a 54 to 13 vote on Monday. The bill now goes to the Senate.

There are many more issues that have surfaced this session, far too many to write about in this brief report, but an excellent resource for tracking bills, agendas, legislator information, and much more, can be found on the Idaho Legislature's website at www.legislature.idaho.gov.

Please contact me if you have any questions or comments.

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