



Idaho Association of
Commerce & Industry
The Voice of Business in Idaho®



Legislative Report — March 12, 2010 • Week 9

Friday, March 12, 2010

NEWS TO USE — Idaho Education Network: Continuing Momentum and Support

One major topic that remains to be resolved this year in the legislature is an initiative that IACI has supported since its creation, the Idaho Education Network (IEN). The Idaho Education Network is a legislatively mandated education network technology pipeline exclusively for schools. The mission of this important program is to provide an equitable and reliable high-speed level of connectivity for all Idaho public schools to support 21st century collaborative learning environments and increase educational outcomes. The development of this infrastructure gives our students all the educational advantages possible, and will ultimately benefit business and society in general over the long-term.



IACI believes that the Idaho Education Network is a crucial component in providing our children the best education opportunities possible, and their actual physical location should not be a hindrance. This program ensures that kids in St. Maries or Rigby are allowed the same opportunities as kids in Meridian or Boise. Other states utilizing this technology have seen a tremendous return on their investment, with

kids graduating from high school with associate degrees, as well as being better prepared overall for the full college experience or workforce.

Where does IEN stand in the legislative process? Currently, the IEN is awaiting spending authority for the funds that have been generously donated to the state by the J.A. and Kathryn Albertson Foundation. The program is not asking for any general fund dollars this year. This budget item was due to be discussed in JFAC today, but has been delayed while further information is being gathered. IACI continues to support this item moving forward due to the important impact this project has already had on Idaho students' educational opportunities.

Please read the [op-ed](#) from Jamie MacMillan, the executive director of the J.A. and Kathryn Albertson Foundation, published in the Idaho Statesman today. This article highlights many of the reasons why the Albertson's Foundation is committed to supporting the Idaho Education Network.

Senate Committee Takes Stand on Immigration

The Senate State Affairs Committee held legislation (S1303) IACI opposed regarding the mandatory use of the national E-Verify system for employers in Idaho. The legislation, sponsored by Sen. Mike Jorgenson, was defeated on a 2-7 vote against sending it to the amending order. Senate Bill 1271, which enhances penalties for knowingly hiring illegal workers, as well as using false identification to obtain employment, did pass and has now gone to the amending order. IACI has no position on S1271.

IACI's major issue with mandating the use the E-verify system includes the fact that the system may not be used as a pre-employment screening tool (similar to the screening system used to purchase a firearm), and that it is still in the pilot project stages. Those who have a desire to defeat the system by using stolen identities are almost 50% successful, so the system needs further work. Even the Social Security Administration only uses the system 80% of the time.

Potato Processors Meet with Ag Director

The IACI Potato Processors Executive Committee met yesterday. This meeting included an update from the Idaho Department of Agriculture Director Celia Gould. Director Gould led a discussion on the ISDA potato inspection program, and she also introduced Fred Rios, who is the new Administrator of the Division of Agricultural Inspections for ISDA.

The agenda also included the processor commissioner nominations to the Idaho Potato Commission. These recommendations will now go to the Governor's office for the final selection.

BILL TRACKING:

[Click here](#) for an updated list of legislation on which IACI has taken a position.

CAMP Funding



The Eastern Snake Plain Aquifer (ESPA) Comprehensive Aquifer Management Plan (CAMP) legislation, designing a system to collect fees from water users, will be delayed for one year. In the interim, a bill has been developed to create a fund that would be able to accept payments and disburse money to match the projects already underway for this water year. The Idaho Water Board already has \$1.2 million from the Pristine Springs sale going

Even the Social Security Administration only uses the system 80% of the time. Before we mandate a voluntary federal program on Idaho employers, we need to make sure the system actually works.

Upcoming Meetings

► **Tue, Mar. 16 — 10:00 a.m. Legislative Committee**

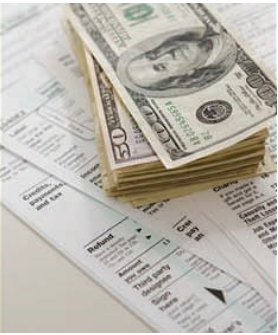
Tax Exemptions Study Bill Dies in House Committee

Legislation to once again study all Idaho sales tax exemptions has been killed by the Chairman of House Revenue and Taxation, which means the bill (S1381) will not receive a hearing in the House and is done for the year. IACI was opposed to the measure. The Chairman challenged the Senate to bring forward legislation if they had exemptions they wanted removed. Otherwise, he believed it was a waste of time to go through yet another study committee on all the exemptions in code.

In the [IACI Legislative Update](#) on February 19th, IACI staff editorialized about the fact that, to form a committee to only review exemptions without looking at the larger picture of all revenue sources for government in Idaho (which

amounts to about \$5 billion), was only looking to gore the ox of specific constituencies. As was made clear by Chairman Lake, all the exemptions now on the books have groups, businesses and citizens supporting them for a variety of reasons and that would be more than willing to justify each of them.

IACI will remain vigilant on the issue of revenues and the idea of enhancing revenues though the elimination of exemptions or expansion of Idaho's tax code to untaxed items currently excluded from the code.



the F-35. The Springs said going into the fund, and another \$1.2 million that will go into the fund in October.

At issue is whether or not a fee assessed on surface users and ground water users should be mandatory. Other issues surrounding the discussions this summer will include structuring of the allocation of credit for recharge. IACI has committed to the Governor to remain at the table to discuss these issues to find a workable solution for the successful implementation of the CAMP.



The state is currently in the middle of its two-week filing period for candidates who wish to run for the legislature and statewide offices. You can check for updates on this list twice a day on the [Secretary of State's website](#).

This is an important time to think about participating in the Idaho Prosperity Fund, which is IACI's PAC. The goal of this organization is to help elect citizens who share IACI's philosophy of providing prosperity for the people of Idaho. [Click here](#) or call IACI staff to learn more about joining the Idaho Prosperity Fund!

Support Economic Development

IACI continues to work with the Idaho Dept. of Commerce on economic development opportunities, and encourages your support of the state's efforts to secure the F-35 training and operations programs. Sign up at IdahoF35.com now!



As the elections process begins this spring, think about how you can provide information to your employees on getting registered to vote, as well as background on the current issues affecting them. The [Idaho Prosperity Project](#) can assist your organization with information and tools for your organization and employees. Help policy makers understand how their decisions impact the health of Idaho's economy, its companies and citizens. Please contact IACI staff for more information.

Questions? Email us at iaci@iaci.org.

