



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



Legislative Report — March 5, 2010 • Week 8

Friday, March 5, 2010

NEWS TO USE — State Education Budget: Separating Rhetoric from Reality

With a myriad of differing ‘reports’ swirling around the state regarding the state education appropriation, we asked **Senator Dean Cameron**, Co-chair of the Joint Finance & Appropriations Committee (JFAC), to provide us with his first-hand input on the difficult process leading to the setting of the education budget this week. What follows is the Senator’s own statement:



“The Joint Finance & Appropriations Committee on Wednesday set the public education budget. Prior to setting the budget we held and moderated meetings with education stakeholders. The purposes of these meetings have been to minimize the impacts of the reduced budget. Frankly, our goal is to protect teachers in the classroom and to preserve a child’s

education opportunities. Additionally, we acknowledge the important role of our locally elected school boards and of our good school administrators in managing the resources allocated to them. The stakeholders participating in the meetings were Superintendent Luna and his staff, the Idaho Education Association, the Idaho School Administrators Association, Idaho School Boards, the Senate and House Education Chairmen and their vice-chairs as well as my good co-chair Representative Bell and our vice-chairs and education budget members and staff.

The process was a little uncomfortable at first, with each of the stakeholders staking out their perspective, but after gentle encouragement we were able to move forward. We carefully brought up each issue, looking first for those issues everyone agreed upon. If any participant had a concern we would set the issue aside. By the end of the first day we had agreed on a dozen items. The next meeting was more difficult as we tackled the issues of disagreement, but by then the stakeholders could see the benefit and potential consensus. We preceded line by line, concept by concept and forged agreements. Although this is a difficult budget I could not be prouder of the process and of the stakeholders who set aside politics and personal agendas and each compromised for the benefit of public education.” [Continue reading...](#)

‘Any Willing Provider’ Bill Narrowly Defeated in House

After a lengthy debate on the House floor, the Idaho House of Representatives rejected H528, which would have expanded the provisions of the “Any Willing Provider” policy, on a narrow 31-39 vote. Per direction from the IACI Board the prior week, IACI communicated its opposition to the measure.

IACI intends to follow through with the commitments made to form a working group to study this issue in more detail upon adjournment of the 2010 Legislative session. IACI is fortunate to have a diverse group of members with varying opinions on this topic, so the debate is sure to be vigorous. This will be part of a larger discussion on finding policies that provide a more efficient and effective health care system.

Personal Property Tax Bill Endorsement

In a major step forward, the Idaho Association of Counties (IAC) has endorsed the elimination of the personal property tax after negotiations between members of IACI and the IAC. The endorsed legislation is the same as was provided to the IACI Legislative Committee last week. IACI and its new partner in this effort will be working with Legislators to determine the next best course of action in resolving a decades-long issue over this taxation of equipment, machinery and tools. IACI is very appreciative of the support from the IAC and the leadership they have demonstrated throughout the negotiations.



The elimination of the personal property tax was also highlighted as one of the recommendations coming from the Governor’s Business Summit last fall (see below). It has also received support from the Idaho Dept. of Commerce. When the bill is ultimately introduced, we anticipate all three entities will partner together to forward the plan.

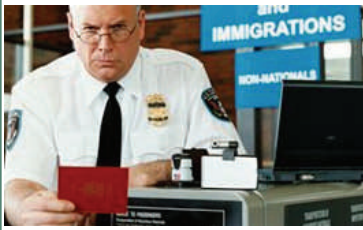
BILL TRACKING:

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

Upcoming ▶ Tue, Mar. 9 — 10:00 a.m. Legislative Committee

Immigration Bills Still on the Table

The Senate State Affairs Committee is slated to address the issue of illegal immigration next week. There are two bills that will be considered: S1271 and S1303. IACI has no position on S1271 as it penalizes illegal use of false identification to obtain employment, and only penalizes employers who *knowingly* hire workers not authorized to be employed in Idaho.



S1303 takes a curiously more restrictive approach, which is why IACI is opposed to the bill. The measure mandates the use of the E-verify system that is currently only a pilot project from the federal government. IACI simply asks why the state would want to mandate the use of a flawed system on our businesses?

Certainly there are some employers, including some IACI members, that have been trained to use the E-verify system. Most have done so within their respective human resource departments in an effort to get ahead of any potential mandate coming from the federal government. Much of the feedback on the program has been negative. The Social Security Administration recently admitted that they only used the system 80% of the time, and another internal study of the system from the Department of Homeland Security noted that the system failed to catch illegal employees about 50% of the time because many are using stolen identities. So again, IACI asks the question, "Does this sound like a system that should be mandated for Idaho employers?" The hearing is scheduled for Monday, March 8.



With the primary elections soon approaching, the Idaho Prosperity Fund (IPF) needs your support now more than ever. The recent Supreme Court decision in *Citizens United v. the Federal Election Commission* allows

for corporations to pay for express advocacy communications independent of any candidate or political party (while not lifting the ban on use of corporate dollars to fund candidates directly). At the center of a successful election is a well-funded candidate, and we need your help to ensure that the IPF can support pro-business candidates in the 2010 elections. [Click here](#) or call IACI staff to learn more about participating in the Idaho Prosperity Fund!

The [Idaho Prosperity Project](#) continues to provide grassroots support with information and tools for Idaho employers and their employees. You can help policy makers understand how their decisions impact the health of Idaho's economy and, therefore, the opportunities for Idaho companies and citizens to prosper. Please contact IACI staff for more information.



Project 60 is the Governor's comprehensive initiative to grow Idaho's Gross Domestic Product by nurturing existing businesses, attracting new business, and encouraging outside investment. In launching this effort, Governor Otter held both Business and Technology summits to receive input and recommendations from the state's business leaders on accelerating a prosperous economic recovery. We encourage you to read the final [Governor's Report](#) on those summits. The very first of his eight recommendations is the elimination of the personal property tax, IACI's number one priority.

F-35 Program Efforts Continue



IACI continues to encourage everyone to show their support of the state's efforts to secure the F-35 training and operations programs, and the job development and economic boost it would bring to Idaho. Sign up at IdahoF35.com now!

Questions or comments?
Email us at iaci@iaci.org.

