

Idaho State Report May 5, 2015

IPM&CSA Annual Convention August 5-7, 2015: Welcome Back to Sun Valley with Their Newly Remodeled Lodge!

Get your Room and Registration Locked in Now for Sun Valley 2015!

Join us for our convention at the Sun Valley Resort, but sign up now. Rooms go fast for August, especially this year, as the historic Sun Valley Lodge has just undergone a huge remodel. As always, we will be golfing on the scenic Sun Valley Resort Course, and shooting at the posh Sun Valley Gun Club, both in view of the famous Mt. Baldy. The resort offers a new world-class spa for those in need of pampering. From fine dining and boutique shopping to hiking, biking and fishing, there is something for everyone in the Wood River Valley! Reserve these dates – August 5-7, 2015 -- you'll want to bring friends and family and stay awhile!

Check out the facility at this link: www.sunvalley.com

Room Reservations must be made by phone at 800-786-8259 (Room block closes on July 6, 2015)

Register for the convention at this link: www.wpma.com

IPM&CSA Joins PMAA for Day on Capitol Hill, May 13-15, 2015

IPM&CSA joined PMAA States again in 2015 for a Day on Capitol Hill. Idaho jobbers Ron and Michelle Berry (Berry Oil) joined Executive Director Suzi Budge to meet with members of the Idaho Congressional Delegation on May 14, 2015. PMAA's annual Washington Conference & Day on the Hill focuses on key issues impacting our industry, including EPA's new UST rules, RFS reform and the ethanol blend wall, interchange fees, and other fuels and energy-related topics. This event is always a great opportunity for marketers to spread the good word on "The Hill" about the issues that impact our business. Idaho is fortunate to have a great relationship with the Idaho Congressional Delegation, and we enjoyed sitting down with them in their WDC offices at this annual event.

IPM&CSA PAC Golf Outings Raise Cash for Contributions

Every year IPM&CSA holds PAC golf outings around the state to raise campaign money. IPM&CSA supports those candidates who understand our industry and are willing to work on issues that matter to us. We will continue to host regional PAC golf events to raise funds, but we need your help! Please be on the look-out for faxes, fliers and e-mails scheduling our PAC golf outing in your area. Bring your co-workers, business associates and friends for a day on the links!

Key Dates for 2015 IPM&CSA PAC Golf:

July 14, 2015 -- Clear Lakes Country Club, Buhl Idaho

Be on the lookout for other PAC golf dates in Eastern Idaho and Boise

It's a Wrap: The 2015 Legislative Session in Review

Whew, it's finally over -- and none too soon for marketers. Many would say the 2015 legislative session ran way too long at 90 days -- two weeks beyond Leadership's target date for adjournment. But in the end, the Governor got his road money, horse-racing advocates were saved by his veto, and teachers ended up the biggest winners of the session. Here's an overview of what happened, and what didn't, now that the gavel has fallen:

The Stuff of High Drama - Gambling and Marijuana: The 2015 session began and ended with the battle that raged between tribal gaming and historic horse racing. After fierce lobbying by both sides, the tribes had the votes to pass their bill to outlaw historic horse racing. But the governor's veto made that victory short-lived. Advocates for Cannabidiol (Cannabis oil extract) suffered the same fate. After close votes in both chambers, the bill to benefit severely epileptic children, passed, only to receive the big red stamp on the second floor. In a departure from his practice of previous sessions, the governor vetoed four bills in 2015, and let many become law without his signature. .

The Going Home Bill - It's All about the Money (Fuel Tax & Vehicle Fees go Up): Raising money for roads and bridges kept everyone in town an extra two weeks. And it was finally settled only after a rare House/Senate conference committee that lasted two very long days. What matters most to marketers is not what remained on the table when the dust settled from these sometimes testy negotiations, but what was left out of the final bill. We dodged a bullet in 2015, but should be ever vigilant about where transportation advocates want to go in the future. We're probably not going to like it!

Bad Things That Might Have Ended up in the Transportation Funding Package, But Didn't:

- Sales Tax on Fuel
- Indexing Fuel Tax Rates for Automatic Increases
- Inventory / Floor Tax on Fuel Imposed only on Licensed Distributors
- 3-4 year Phase-In of the new tax on LNG/CNG powered vehicles

What the Final Transportation Funding Bill Included (H312 as amended, as amended):

- 7 cent fuel tax increase, from 25 to 32 cents, effective July 1, 2015 (raises \$63 million)
- Increased registration fees on all vehicles (raises \$31 million)
- Electric/Hybrid fees (raises \$640 K)
- Dyed Diesel Enforcement report
- Surplus Eliminator with two year sunset

IPM&CSA Legislative Victories - Large and Small!

H312aaSaaS -- Transportation Funding (see above) Passed House 51-19; Passed the Senate 26-9; Signed by the Governor

H132 - Gaseous Special Fuels - Repealed Decal, converted LNG & CNG to an energy equivalent, and makes these alternative fuels subject to fuel tax. Passed House 61-9; Passed the Senate 19-16; Became Law without Governor's signature.

H193 - Repeal of Unfair Sales Act with the Exception of Fuel – Introduced but did not receive a hearing in House State Affairs Committee.

E-Cigarettes - Proposals but no bills introduced

S1111 - Minimum Wage Increase and indexed to inflation – Introduced but did not receive a hearing in Senate State Affairs.

Lottery Repeal - Proposed but not introduced as a bill

What Got Left “In the Pipeline”:

In the final days of any legislative session, Leadership in the House and the Senate pick their priorities and determine their “going home bills.” This year it was transportation funding. Anything not on the priority list doesn’t make the cut, and is often left hanging, effectively derailed for the session. These ideas, good and bad, “get left in the pipeline,” Some of these were introduced for discussion purposes but weren’t ever likely to become law (minimum wage increases). Some were intentionally held up (income tax reductions) - “stuck in a drawer”- meaning a committee chairman refused, for whatever reason, to give the bill a hearing. And some simply run out of time before the process shuts down.

Here are a few of the bills that got left in the pipeline and did not become law in 2015.

- Eliminating the Idaho Lottery & Outlawing "Historic Horse Racing" (H1011)
- E-Cigarette Regulations
- Repealing the "Unfair Sales" Act Excepting Fuel (H193)
- Minimum Wage increases and indexing to inflation (S1111)
- Income tax rate reduction (H311)
- Taking Sales Tax off groceries and eliminating the grocery tax credit (H311)
- Expansion of Medicaid under Affordable Care Act/Obamacare

Outlook for the 2016 Legislative Session:

Remember the big issues going in to 2014 and 2015? Expect more of the same in 2016:

- Transportation Funding -- Transportation advocates will be back for more. \$95 million is not enough with the shortfall for maintenance is \$262 million and more than \$500 million in total needs.
- More Education Reform from the Governor's Education Task Force - funding initiatives made in 2015 are set to grow in the out years, and there are more changes to come.
- Income Tax and Personal Property Tax Reductions - House Leaders and the business community are committed to decreasing Idaho's income tax rates and eliminating personal property tax.
- Medicaid Expansion - Still on the "to do" list for health care advocates, Obamacare, Part 2 is the next step for Idaho to consider under the federal Affordable Care Act.