

Winter Magazine 2020

Idaho Insider by Suzi Budge

2021 Legislative Preview

Idaho Budget Update:

“There remains significant uncertainty over economic measures this year” so says Idaho’s official Economic Forecast released from the Governor’s Division of Financial Management in October 2020. Now there’s the understatement of the year! But eight months into a global pandemic, Idaho has defied all predictions in the budget area. Idaho is on track for a \$530 million surplus in the current fiscal year, the largest surplus in state history and more than 10-times what was predicted when the budget was set – what now seems a lifetime ago – before the pandemic-driven emergency hit Idaho. September revenues came in \$33 million ahead of forecast, marking the third straight month of the new fiscal year where the economy beat projections, according to a news release from Governor Brad Little. These revenues are 10% ahead of pre-pandemic predictions. Chock it up to Idaho’s appeal as a great place to live when measured by cost of living, safety, business and tax environment, recreational opportunities and perhaps even a bit of political sanity compared to some of our surrounding states. Looking down the road, we can probably predict that as the fastest growing state in the country, our political environment is likely to reflect those changing demographics in the future. Whether that change is for better or for worse, remains to be seen.

Look for These Changes in the 2021 Legislative Session:

By all outward appearances, the make-up of the 2021 legislature will look familiar – dominantly Republican, conservative (by most standards), and rural. As noted above, that demographic is likely to shift in the next round of redistricting due to Idaho’s rapid growth, but for 2021 the big picture is already in view. Where we will see changes, and these will matter to us, is in the key players at the Idaho Statehouse – how committees are structured and who is in charge. This includes leaders in the House, the Senate, the committees who vet legislation, and in the membership of the committees themselves. Issues that impact the petroleum marketing industry can move through a variety of committees, but most often on those that deal with the environment and natural resources, transportation, and taxation.

Here are some key issues expected for the upcoming legislative session:

COVID Liability Protections for Businesses – this will be revisited in January after the August 2020 special session passed a version that will sunset in July 2021.

Budget, Budget, Budget – One scenario is for the legislature to convene only to pass a budget, the sole required action of the body, and adjourn post haste. This has been discussed but seems unlikely given the pent up demand to tie the hands of the Governor and Attorney General during an emergency, or put another way, to give the legislature more of a role during an emergency declaration.

Executive Authority during a Declared Emergency – (See above). Legislators chafed during 2020 for being left out of the distribution of \$1.25 billion COVID/CARES funding and other actions taken by the Governor and defended by the Attorney General during an “extreme emergency.” They won’t want to go home without efforts to rewrite the code to change that balance of power under Idaho law.

Transportation is always on the agenda – be it to fund local projects (Local Option tax authority) or statewide infrastructure (fuel tax, registration, GARVEE, and other big ideas) but that area has been quiet leading up to the session. No matter, fuel-related issues are always on our radar.

Industry Issues in the 2021 Legislature

IPM&CSA is well positioned to protect and defend our industry in the 2021 legislative session. As always, we will be on guard for new taxes and regulations related to fuel distribution and retail. And **these issues are always on our radar:** transportation and fuel-related proposals, local option sales or fuel taxes, UST and environmental regulations, alternative energy. Tax and market incentives to enhance the use of E-Vehicles, renewable fuels and alternative energy are gaining ground across the country, and we can expect them to appear in Idaho. As energy marketers in a large rural state, we should always be prepared to explain and defend the value of liquid petroleum fuels in the energy marketplace.

IPM&CSA Supports Like-Minded Candidates in 2020 Elections

IPM&CSA PAC Supports Our Allies at the Statehouse:

IPM&CSA commits time and resources to legislative and statewide races and supports elected officials who share our philosophy of government policy and regulations. In the past 19 years, the Idaho PAC has contributed \$178,500 to candidates! Most importantly - Idaho marketers continue to build relationships with key legislators and government officials to ensure that our industry is represented in the development of Idaho laws and regulations. Sadly, the COVID emergency and associated restrictions prevented us from holding our regional golf outings in 2020. It's a good thing we have consistently raised funds annually to support the PAC throughout the election cycle. Prudent management of our PAC funds allowed IPM&CSA to support a record number of candidates in 2020 in anticipation of a busy legislative session in 2021. We also acknowledge and appreciate IPM&CSA member companies supporting candidates directly in those areas of the state where they do business.

AND JUST A FEW REMINDERS

PMAA Is Now EMA

"Energy Marketers of America" is the new name for our national organization, which has long been identified as Petroleum Marketers Association of America or PMAA. The national board voted at the October meeting to adopt the new name and a new image. Check out the new website at <https://www.energymarketersofamerica.org>

Idaho Weights and Measures Fees are Changing – Here's What you Need to Know:

The Idaho Department of Agriculture will propose to the 2021 Legislature a new fee schedule. The latest proposal phases in a fee increase over three years beginning in 2022, and gradually increases fees from \$7 to \$8 per device, in 2024. This is a victory for IPM&CSA and other groups who opposed the original fee schedule and worked with IDSA to modify the structure. The new fee schedule will fund the Weights and Measures program adequately without doubling device fees as originally proposed. We also insist that state general funds pay their fair share of consumer protection costs, which should not be shifted to the regulated community.

On Your Calendar – *Pencil this In!*

IPM&CSA 2021 Annual Convention in Sun Valley, Idaho August 4-6, 2021. Check out the Sun Valley Resort at www.sunvalley.com