



# CAPITOL REVIEW

## A WEEKLY LEGISLATIVE REPORT

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### A Weekly Legislative Report

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#### COMMODITY AND SEED INDEMNITY FUNDS

Idaho has long had a nationally recognized program related to failures of commodity and seed warehouses. The two programs were established several years ago. The Commodity Indemnity Fund for grains in 1998 and Seed Indemnity Fund established in 2002. Both have advisory boards that are made up of producers and processors. Fees were established in rule and the guidelines established by the legislature. The funds have both had failures through the years and have been able to pay producers around 90% of their loss. The Commodity Indemnity Fund (CIF) and Seed Indemnity Fund (SIF) both offer additional protection for producers and these \$12 million dollar funds (\$24 million total) are supported by producer's assessments and allows producers to recoup an approved verified claim in the event of a failure. Currently CIF and SIF are not collecting assessments, but quarterly reporting is still required by processors. Recently some seed companies have been slow in paying producers for what they grew and delivered to the processing operations. This has resulted in meetings hosted by the Idaho Farm Bureau with representation from Idaho Eastern Oregon Seed Association and Nezperce Prairie Grass Growers Association in attendance on behalf of our clients who are most notably impacted by these two funds. The second meeting was held this week with Kyle Wilmot from the Idaho State Department of Agriculture presenting facts about the two accounts. Rep. Lori McCann has been very interested in trying to assist growers with their loss of revenue when processors are slow to pay growers for their commodities. It is doubtful that legislation will be written this year but additional meetings will be held to determine a path forward.

#### COLUMBIA-SNAKE RIVER SYSTEM

Senate Joint Memorial (SJM) 103 states that the Idaho Legislature will recognize and support the international competitiveness, multi-modal transportation, and

economic development benefits provided by the Port of Lewiston and the Columbia-Snake River System. The declaration is intended to clarify that the Idaho Legislature opposes the removal or breaching of the dams on the Columbia-Snake River System and its tributaries. Idaho has sovereignty of its water resources and benefits from the multiuse system that provides transportation of commodities, fish and wildlife habitat, recreation, hydropower, flood control and irrigation.

SJM 103 also offers some interesting facts, some of which are not well known. Due to the efforts of Idaho and its water users in entering into the 2004 Snake River Water Rights Agreement, up to 487,000-acre feet of Idaho's water is used for flow augmentation for salmon and steelhead in the lower Snake and Columbia Rivers with water being released through willing buyer, willing seller agreements. The 2004 agreement provides protection's to Idaho water users in the form of a 30 year biological opinion and provides economic benefits to water users participating in the flow augmentation program. This is due in most part to the agricultural and industrial users of water that have a legal priority within the state.

Approximately 10% of all United States wheat exports are barged through the four dams on the Snake River and approximately 50% of all Idaho wheat is barged from Lewiston to Portland, and then on to export markets around the world. The Columbia Snake River System is the nation's single largest wheat export gateway, transporting over 60% of all U.S. wheat to markets overseas. Eleven states export through our rivers, which moved over 15 million metric tons of wheat in 2020. Barging plays a key role in this transportation system, and fed over 4.6 million tons of wheat to the Lower Columbia River in 2019. There are also the tremendous benefits hydropower and the efficient, renewable resource that does so much for the Northwest. Hydropower is the most efficient, environmentally favorable form of electrical

generation, with the combined lower four Snake River dams producing 1,000 megawatts of carbon-free, renewable energy annually. Additionally, 3,000 megawatts for peak power emergencies and providing electricity to 22 rural Idaho utilities serving more than 140,000 Idahoans. Food Producers of Idaho voted to support the joint memorial.

### E-VERIFY

H510 would add to Idaho's employment law the stipulation that it would be prohibited to employ undocumented workers and require employers to electronically verify an employee's legal employment status as a condition of employment. The bill's sponsor is Rep. Jordan Redman and had been briefly discussed earlier this summer by Senator Phil Hart. Hart said he had worked on a bill when he previously served in the Idaho House that would have required employers to use the U.S. Department of Homeland Security's E-Verify system to determine the eligibility of employees to work in the U.S. H510 would require that on and after January 1, 2025, every business entity and employer in this state would have to enroll in the E-verify program and thereafter according to federal statutes, and regulations governing E-Verify, authenticate the employment eligibility of new hires. A business entity or employer that uses E-Verify to confirm the work authorization of an employee would then not be considered to have violated the employment standard.

H510 would force Idaho employers to work through E-Verify and would enshrine the federal program into Idaho Code for conditions of employment. Though E-Verify is used by some Idaho employers already, many problems persist with the program created in 1996. The one size fits all approach has led to a number of problems that don't fit some of agriculture's needs. The system can be complex and difficult to navigate, especially for small businesses that may not have the resources to comply with the regulations. While there is no cost to use the system, it requires a commitment to set up an account and upload information for each new hire. This additional administrative burden can limit the efficiency of smaller businesses requiring them to allocate additional resources to comply with E-Verify regulations, including legal costs, staff time, and money. The federal program needs to be streamlined and tweaked at the federal level before it is set in stone in Idaho Code. Food Producers of Idaho voted to oppose H510.

### IMMIGRATION JOINT MEMORIAL

Senate Joint Memorial (SJM) 102 states that the desire of Idaho citizens and businesses is for the federal immigration system to be modernized. In addition, SJM102 tasks the federal government with

securing the border, providing for a legal workforce of guest workers, prohibiting amnesty for illegal aliens and requesting that Idaho's congressional delegation become national leaders on this topic. The Federal government has failed to meet its responsibility to secure the nation at and within its borders. It has been unsuccessful in providing a guest worker visa program that can meet the labor demands of domestic business, particularly as it relates to year-round agriculture, construction, food processing, manufacturing and hospitality industries. The congress and president have failed to fulfill their constitutional responsibility as it pertains to immigration law and policy, have failed to provide a secure border, have failed to consistently and uniformly enforce existing immigration law, and have failed to provide a robust and efficient system for entry of guest workers to the U.S. capable of meeting the labor demands of businesses.

It is incumbent upon congress and president to strengthen our national security and the security of the several states, including Idaho, by adopting targeted, common sense, immigration reform, which at its core must include an effective system of external and internal security. It is also important to have an effective guest worker program that meets the labor needs and demands of agriculture and allows cyclical worker visas of adequate length to meet the labor demands. HJM 102 further addresses not granting amnesty to those currently in the United States without legal status and that targeted immigration reform is of vital necessity to the citizens and it is incumbent upon the congressional delegation representing the State of Idaho to be outspoken and fervent leaders for immigration reform. Food Producers of Idaho voted to support HJM102.

### IDAHO AG SUMMIT 2024

The theme of the 29th annual Larry Branen Idaho Ag Summit is "**Seeds of Change: Navigating the Future of Idaho Ag.**" The Summit will include two main topics:

#### **Inside the Beltway & Will There be a New Farm Bill?**

Luther Markwart, Executive Vice President,  
American Sugarbeet Growers Assn.

#### **Responsible Water Management: Key to Idaho's Future**

Panel discussion with moderator – Paul Arrington, IWUA  
Mat Weaver, Director IDWR  
Brian Patton, Idaho Water Resource Board  
Angie Hansen, IDWR

The event will be held on Tuesday, February 20 at the Boise Centre.

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