



Statement of Public Policy

(To be Considered for 2020 Updates
in the Summer and Fall of 2019)

IACI Public Policy Process

IACI is comprised of a diverse membership of businesses. Membership in IACI is open to general business members as well as affiliate members that are trade associations, chambers of commerce, contract lobbyists, and law firms. Participation in the Board of Directors is reserved for general business members. Participation (voting, recommending policy, etc.) in the four general committees of IACI is open to every member. In addition, IACI has an affiliated organization called the "Idaho Potato Processors," and IACI addresses issues on their behalf as well.

The public policies of IACI are developed by the members through a committee process. These policies originate in one of four committees: Legislative, General Business, Tax Policy & Fiscal Responsibility, and Environment. These committees may have subcommittees that address specific issues. Once the members finalize these policies, they are considered and approved by the IACI Board of Directors. During the legislative session, IACI's committees meet regularly to consider legislation and base positions on the following policies.

Government Efficiency

At every level of government, IACI supports responsiveness, cost-efficiency and accountability in providing necessary government services and programs. IACI supports efforts to avoid the expense of complying with contradictory or overly burdensome government regulation. IACI opposes efforts that would put Idaho businesses at a competitive disadvantage.

Government Decision-Making

IACI supports general government decision-making that is based on the principles of representative government. IACI further supports a consolidated electoral process that includes the right of voters to vote for and support candidates of their choice in a voluntary, informed, and efficient manner.

Government Fiscal Policy

IACI supports a government budget system that is based on simplicity, equity and fairness. There should be certainty, predictability, and transparency in the way in which government revenue is assessed, collected, and spent. In addition, efficient administration of revenue and spending should enhance competitiveness, economic development, and opportunity for business and citizens.

Idaho's fiscal policy should be based on several fundamental principles:

- Revenue should be collected only for essential governmental programs and services, at levels consistent with reasonable growth in the economy.
- Budgeting should be based on restraining excessive growth of government.
- IACI opposes the expansion of the sales tax to services and other transactions that are excluded from the sales tax base.
- Government should reduce tax and fee rates wherever possible to meet its needs without destabilizing the structure.
- Government should adopt methods to simplify administration of the budget to improve accountability, efficiency and effectiveness.
- Government should maintain a fair, stable and competitive fiscal structure that can be efficiently administered, that encourages continued economic growth and development, encourages and stimulates capital investment, and promotes job creation.
- IACI supports the elimination of the personal property tax as applied to business machinery, tools, furnishings, and equipment and some fixtures in order to remove a barrier to economic development.
- IACI supports the use of advanced economic forecasting tools to give lawmakers a more clear understanding of the implications of their policy decisions.
- Government fiscal decisions should be based on the principles of representative government. IACI opposes any tax legislation that seeks to increase taxes over time through the utilization of an automatic inflationary index. IACI believes that use of such indexes removes accountability and oversight from elected officials who are rightfully charged with evaluating the need for revenues and implementing tax policy.
- Expansion in the size and scope of government should be funded by revenue growth that results from economic growth and expansion; however, when revenues exceed those necessary to fund essential government programs and services, consideration should be given to reducing

tax rates and providing incentives to encourage further economic expansion. Special care should be exercised before the size and scope of government are expanded merely because excess revenues are available.

Education

Idaho invests considerable resources into an education system from kindergarten through post-secondary education at colleges, universities and workforce training programs. Idaho's business community has a vital interest in a modern, outcome-based education system that results in a well-educated workforce, enabling Idaho's citizens to have a lifetime of learning, productivity, and economic opportunity. Productive, well-trained Idahoans enhance the state's economic vitality. Business has a stake not only in the process and delivery of education services, but in the quality of the students, faculty, and administration participating in Idaho's education system. IACI supports cost-effective, innovative, business-responsive strategies to strengthen Idaho's education system.

Human Resources

IACI supports a competitive and stable private employer benefits market. IACI supports a system that allows employers to balance the critical elements of affordability, access and quality and make choices about employee benefits without unnecessary and costly governmental intervention, including mandates, in the design and delivery of employer-sponsored benefit plans. We support continuation of the ERISA preemption and oppose any governmental attempt to erode or remove this preemption or to provide duplicate or substitute regulation or additional fees under state law. IACI supports a workers' compensation system and an unemployment insurance program that is efficient, well-managed and fair, and that expedites a person's return to work. We also support the right of employers and employees to address employment issues cooperatively without unnecessary laws or regulations that limit economic opportunity.

Transportation

IACI supports a diverse mix of transportation measures that increase safety, support economic growth, reduce congestion and increase efficiency in the movement of goods and people. Transportation funding should first utilize existing funding mechanisms. If a clear need exists, additional revenue and new alternative funding sources should be carefully considered and must not be in conflict with other IACI policies. Transportation agencies must be accountable, use innovative processes that lower costs, reduce delivery time, and maximize return on investments.

Legal

IACI supports judicial, administrative and alternative dispute resolution processes which resolve disputes in a fair, impartial, predictable and efficient fashion, and which act in the best interest of Idaho businesses and its citizens. IACI supports reforms that make the civil justice system more streamlined, equitable, fiscally sound and expeditious. It also supports liability reforms that create a more stable and predictable legal environment.

Health Care

IACI supports the availability, use and improvement of programs, public or private, that promote decreased health care costs, and provide better health and better care for citizens through:

- wellness and disease prevention,
- the choice of innovative quality health care plans,
- competition in the health care marketplace, and
- an increase in the percentage of Idahoans with health care coverage and access.



Energy

The prosperity of Idaho businesses and citizens and the long-term health of Idaho's economy depend upon a reliable supply of affordable energy. IACI supports an energy system that encourages cost-effective and reliable production, transmission and delivery of energy for the benefit of Idaho's businesses and citizens.

Environmental Regulation

Efficient, affordable and effective government environmental programs are important to Idaho's economy, facilitate economic development and ensure environmental protection. IACI supports development of state environmental requirements that are based on best available science, consistent with federal programs, and no more stringent or broader in scope than federal requirements. IACI also supports state primacy for federal environmental programs when it is efficient, affordable and effective.

Water Quantity

The sustainability of Idaho's water resources is important to Idaho's economy and is a major factor in business growth and economic development. IACI supports the sustainable conjunctive management of ground and surface waters and aquifer recharge when consistent with the constitutional

doctrine of prior appropriation. IACI thus supports the ongoing development and implementation of Idaho's Comprehensive Aquifer Management Plans.

Potato Processors

The Idaho Potato Commission (IPC) promotes the marketability and protects the viability of Idaho's foremost agricultural product – the Idaho Potato. This is accomplished through extensive advertising and closely monitored licensing agreements controlling use of the Idaho Seal and the "Grown in Idaho" certification mark.

The promotion of both the Seal and the certification mark has resulted in the "Idaho Potato" being the most consumer-recognized produce product in the country, (1994 Fresh Trends Study by The Packer magazine – 82% recognition).

A successful agricultural economy in Idaho is partly dependent upon the Idaho potato grower's ability to command a premium price for their product. This can best be accomplished through the IPC's aggressive enforcement of licensing agreements and vigilant protection of the integrity of the Idaho Seal.

IACI supports the Idaho Potato Commission's efforts to protect the Idaho Seal and the "Grown in Idaho" certification mark through strong enforcement of licensing agreements. IACI will oppose any legislation that attempts to weaken the enforcement powers of the Commission.