



C.L. "BUTCH" OTTER  
GOVERNOR

## OPINION

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# **HIRE ONE IS AN EFFORT WE ALL NEED TO SUCCEED**

*By Governor C.L. "Butch" Otter*

Our economy is starting to grow again, but too many Idahoans remain out of work.

That's what I said in January in my annual State of the State address as I proposed augmenting our broader Project 60 initiative with a "Hire One" campaign encouraging Idaho's roughly 55,000 employers to add personnel to their operations whenever possible.

Employment levels haven't changed much in the past four months. Many Idaho companies are showing an increase in business and more profits. Financing is getting a little easier, and Idaho exports are on track to set records. Unfortunately, our jobless numbers don't reflect the uptick in business activity. About 74,000 Idahoans are still out of work, leaving us stalled at an unemployment rate closer to 10 percent than any of us would like.

Until that situation starts improving, any talk about the economic downturn being over is premature. It certainly isn't over for the Idahoans who are unemployed – a number greater than the total combined populations of Lemhi, Power, Teton, Boise, Caribou, Bear Lake, Lincoln, Custer, Oneida, Lewis, Adams, Butte, Camas and Clark counties.

For real growth to happen, it needs to occur at all levels, from the small businesses on our Main Streets to Idaho's biggest employers, from our rural communities to our more urban areas, and from the Panhandle to the high desert.

I recently was very pleased to be joined by some of Idaho's hardest-working economic development professionals, Chamber of Commerce officials and community leaders as I signed the Hire One Act, a new law passed by the Legislature that encourages and rewards businesses that add to their payrolls, and to Idaho's future prosperity.

Hire One provides tiered, targeted, refundable income tax credits for qualifying employers who create jobs or expand career opportunities in Idaho. There are three levels of qualification for the credits based on how each employer is rated by the Idaho Department of Labor for payment of unemployment insurance taxes. Those levels in brief are:

- ✓ New employers hiring Idaho workers will qualify for a refundable tax credit equal to 4 percent of a new employee's gross annual wages.
- ✓ Existing businesses with a positive unemployment insurance payment rating that add an employee would get a refundable tax credit equal to 6 percent of that new employee's gross annual wages.
- ✓ Existing businesses with a deficit rating that add an employee would get a refundable tax credit equal to 2 percent of that new employee's gross annual wages.

Call it a bonus. Call it a reward. Call it whatever you like, but the fact is we expect the income tax credits paid out to employers will be more than fully offset by the income, sales and property taxes paid by those new employees in the workforce – not to mention the private economic activity they will generate. With minimum qualifying pay rates of \$12 per hour in counties with 10 percent or more unemployment or \$15 per hour in counties with jobless rates under 10 percent, and with employer-provided health insurance also required to qualify for the tax credits, we aren't just promoting employment; we're promoting career opportunities that can help keep a family off Medicaid or other public assistance.

You will see more about Hire One in coming months as we reach out to businesses around the state to join in building Idaho's economy through job growth. We soon will launch a Web site at [www.hireone.idaho.gov](http://www.hireone.idaho.gov), which will be the go-to place for businesses to get their questions answered. The Department of Commerce, Department of Labor and State Tax Commission already are helping businesses understand Hire One benefits and requirements.

So if you're employed, mention it to your boss. If you're involved in a chamber of commerce, share it with your members. If you're involved in local government, adopt Hire One as your campaign too.

This is an effort that we all should take personally. Hire One can help get our friends, family and neighbors back to work. Right now that might be the most important step of all for Idaho's economy, communities and citizens.

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*Governor C.L. "Butch" Otter issues his Project 60 Updates periodically, providing information about career opportunities and business expansion throughout Idaho.*

(676 words)