



C.L. "BUTCH" OTTER  
GOVERNOR

## NEWS RELEASE

**FOR IMMEDIATE RELEASE:**

March 30, 2012  
12:013

CONTACT: Jon Hanian  
(208) 334-2100

### **GOVERNOR APPLAUDS ACCOMPLISHMENTS OF PRODUCTIVE LEGISLATIVE SESSION**

(BOISE) – Governor C.L. "Butch" Otter praised legislators today for fully funding K-12 reforms and higher education priorities, starting to refill reserve accounts, helping him promote economic development and providing tax relief.

"The Legislature got it right this year," Governor Otter said. "We had our share of passionate give and take; that's the way the legislative process works – by debating and refining ideas into sound public policy. So by and large the people of Idaho should consider the 2012 session a success. It's a tough job, and I appreciate legislators' work and wish them well."

Among the key successes, the Governor counted:

- Fully funding the "Students Come First" public school reforms enacted by the Legislature in 2011, including a teacher pay-for-performance provision and rollout of classroom technology for students. In addition, teachers – like all State employees – will get a 2-percent pay increase.
- Fully funding current enrollment growth and occupancy costs for all four Idaho colleges and universities, as well as providing a 20-percent increase for funding at Idaho's heavily used community colleges.
- Establishing and funding the Idaho Global Entrepreneurial Mission – IGEM – bringing together private industry, Idaho's research universities, the Idaho National Laboratory and the Center for Advanced Energy Studies in a collaborative effort to encourage and commercialize development of new technologies that will create new businesses and help existing businesses grow. The bottom line: More jobs and economic opportunity for Idaho.
- Reducing both the marginal state income tax rate for individuals – including many small businesses – and the marginal corporate income tax rate to a more competitive 7.4 percent in an effort to attract new businesses to operate in Idaho and to help sustain and grow existing businesses. In addition, the Legislature agreed to continue ratcheting up the grocery tax credit to provide another \$15.5 million in sales tax relief for Idaho families. That means total grocery tax credit savings to Idaho taxpayers in 2012 will be more than \$110 million.

- Beginning to refill reserve or “rainy day” funds that were essentially emptied during the Great Recession. More than \$21.4 million will be deposited in the Public Education Stabilization Fund, and \$10.9 million will be put in the Budget Stabilization Fund. A “surplus eliminator” measure also was enacted that will transfer any remaining general tax revenue at the end of the fiscal year into the Budget Stabilization Fund. That is expected to be another \$32.3 million, but that amount could go up or down between now and June 30. The bottom line: Idaho could have more than \$80 million in various rainy day funds to start fiscal 2013.
- Providing legislative authority for the Idaho National Guard Youth ChalleNGe – an education program for at-risk teen drop-outs who have not yet run into trouble with the law, to help them complete their secondary education while learning important life skills. The program is expected to create more than 50 jobs in the small Clearwater County community of Pierce.
- Establishing a regulatory framework for Idaho’s emerging oil and gas industry, including uniform statewide standards aimed at ensuring public health, safety and environmental protections are in place so the new and growing energy segment can create good jobs for Idahoans without endangering property or our way of life.
- Adding wolves to the game species for which tags will be included in the “Sportsman’s Pak” hunting licenses. Hunters previously have had to purchase a wolf tag separately. The Sportsman’s Pak now will include a wolf tag, deer tag, elk tag, bear tag, turkey tag, mountain lion tag, an archery permit, muzzleloader permit, steelhead permit, and anadromous salmon permit.

###