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Republican candidate, controller
April 25, 2014

1. Outgoing state superintendent Tom Luna has pushed the state Land Board to maintain smaller balances in reserves, in order to boost payments to K-12. Do you support such an idea? Why or why not?

The goal of the Land Board should always be to boost payments to the schools when possible. The reserve balance also must be maintained for future distributions. I would need to see exactly what Tom proposed to comment specifically.

2. In February, the Land Board voted to suspend the purchase of commercial properties. Do you support this move, and keeping this moratorium intact? Are there any circumstances under which you support adding commercial properties to the state's endowment portfolio?

The suspension of commercial acquisitions for one year was simply an election-year calculation to avoid any more embarrassing decisions. The Land Board decided, and spent approximately \$200,000 just a couple years ago to implement this policy, and is now taking another \$100,000 from the endowments just to review the policy. I am strongly opposed to the state buying commercial properties/businesses that compete against private business. The commercial portfolio has averaged less than 2 percent return over the last four years. This program is a failure in providing the maximum return to the endowments.

3. A recent Congressional Research Service report says federal agencies spent \$392 million managing federal lands in Idaho in 2011-12 — and the state would incur much of these costs if federal lands are transferred to the state. Could the transfer of federal lands prove to be a net loss to the state, and to the endowments supporting K-12 and other beneficiaries?

No, it would not be a loss to the endowments or state. The cost to fight fires would dramatically be reduced because the management philosophy would change. The Forest service has taken an approach of letting fire take its natural course, and then throwing lots of money to manage the fire. Idaho manages state lands for the value of the timber. Fires are put out. Trees are harvested and our endowments receive money. Transferring management of federal lands to the state would definitely eliminate the continual need for school levies and more.

4. The state is beginning the process of auctioning off lakeside cabin parcels. How do you think the state should balance the interests of leaseholders against the short- and long-term interests of endowment beneficiaries?

The state should provide the opportunity for all leaseholders to participate in a land exchange. This will protect the leaseholder's investment on the property. Since timber

provides 80 percent of the revenue for the endowments, if they exchange for more timber ground they can multiply this portfolio.