

REVIEW OF THE FIRST REGULAR SESSION OF THE 65TH LEGISLATURE



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LEGISLATIVE TURNOVER

House

- 20 New Representatives
- 8 New Committee Chairs

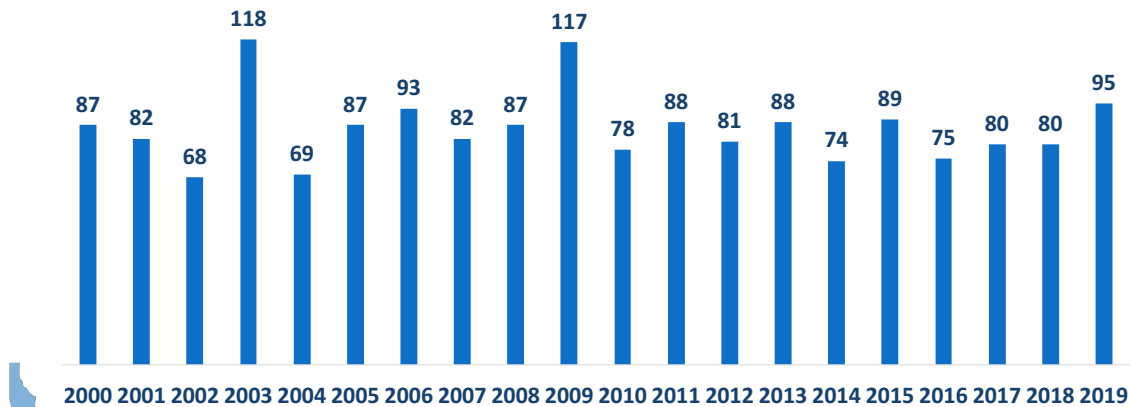
Senate

- 7 New Senators
- 7 New Committee Chairs



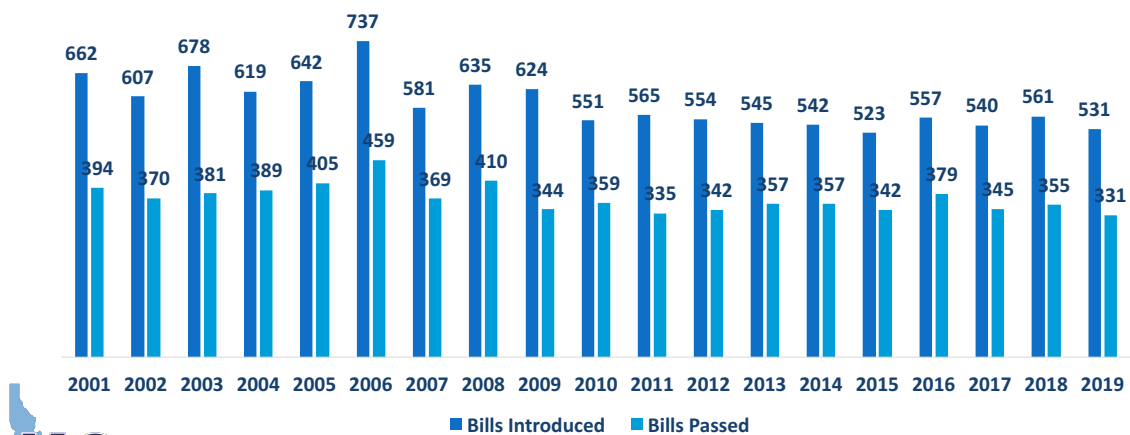
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SESSION LENGTH



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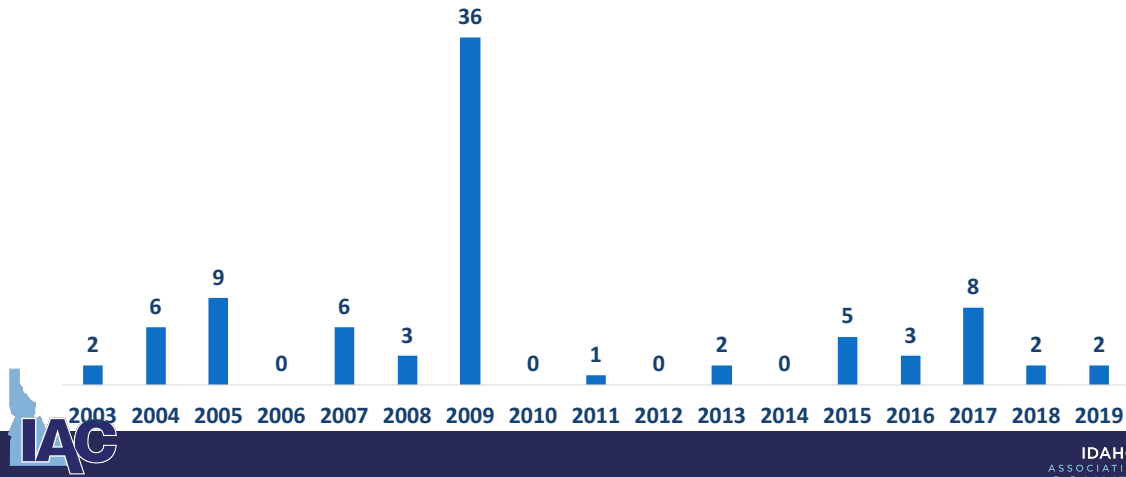
SUMMARY OF BILLS INTRODUCED



■ Bills Introduced ■ Bills Passed

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GOVERNOR VETOES



STATE BUDGET OUTLOOK



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MONTHLY ACTUAL AND PREDICTED COLLECTIONS FOR MARCH					
	Actual FY 2017	Actual FY 2018	Actual FY 2019	Predicted FY 2019	Forecast Performance FY 2019
					(Actual versus Predicted)
Individual Income Tax (\$000)	\$51,935.5	\$69,927.1	\$67,143.4	\$63,377.4	Difference \$3,766.0
Percent Change from Previous Year	16.8%	34.6%	-4.0%	-9.4%	Percent 5.9%
Corporate Income Tax (\$000)	\$11,907.2	\$16,214.2	\$17,412.7	\$18,690.0	Difference (\$1,277.3)
Percent Change from Previous Year	-26.9%	36.2%	7.4%	15.3%	Percent -6.8%
Sales Tax (\$000)	\$94,048.9	\$102,940.4	\$104,909.2	\$110,901.3	Difference (\$5,992.1)
Percent Change from Previous Year	0.2%	9.5%	1.9%	7.7%	Percent -5.4%
Product Tax (\$000)	\$4,081.1	\$4,185.7	\$4,674.9	\$4,659.4	Difference \$15.5
Percent Change from Previous Year	7.7%	2.6%	11.7%	11.3%	Percent 0.3%
Miscellaneous Revenue (\$000)	\$6,122.7	\$6,184.1	\$9,379.7	\$6,969.0	Difference \$2,410.7
Percent Change from Previous Year	-1.1%	1.0%	51.7%	12.7%	Percent 34.6%
Total (\$000)	\$168,095.4	\$199,451.5	\$203,519.9	\$204,597.1	Difference (\$1,077.2)
Percent Change from Previous Year	2.1%	18.7%	2.0%	2.6%	Percent -0.5%



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FISCAL YEAR-TO-DATE ACTUAL AND PREDICTED COLLECTIONS THROUGH MARCH					
	Actual FY 2017	Actual FY 2018	Actual FY 2019	Predicted FY 2019	Forecast Performance FY 2019
					(Actual versus Predicted)
Individual Income Tax (\$000)	\$1,090,722.1	\$1,272,304.7	\$948,591.9	\$1,055,924.3	Difference (\$107,332.4)
Percent Change from Previous Year	10.3%	16.6%	-25.4%	-17.0%	Percent -10.2%
Corporate Income Tax (\$000)	\$123,168.9	\$131,064.5	\$154,656.9	\$135,955.3	Difference \$18,701.5
Percent Change from Previous Year	16.4%	6.4%	18.0%	3.7%	Percent 13.8%
Sales Tax (\$000)	\$1,026,474.7	\$1,110,730.1	\$1,191,724.4	\$1,185,844.4	Difference \$5,880.0
Percent Change from Previous Year	5.8%	8.2%	7.3%	6.8%	Percent 0.5%
Product Tax (\$000)	\$44,981.7	\$45,158.2	\$49,891.3	\$50,214.8	Difference (\$323.5)
Percent Change from Previous Year	12.7%	0.4%	10.5%	11.2%	Percent -0.6%
Miscellaneous Revenue (\$000)	\$55,135.2	\$72,455.2	\$75,539.0	\$68,269.4	Difference \$7,269.6
Percent Change from Previous Year	-2.3%	31.4%	4.3%	-5.8%	Percent 10.6%
Total (\$000)	\$2,340,482.6	\$2,631,712.8	\$2,420,403.4	\$2,496,208.2	Difference (\$75,804.8)
Percent Change from Previous Year	8.3%	12.4%	-8.0%	-5.1%	Percent -3.0%



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IAC LEGISLATIVE PROCESS



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LEGISLATIVE RESOLUTIONS

Legislative resolutions included in the IAC Legislative Package may be sponsored by:

- IAC Board of Directors,
- Affiliated associations of IAC,
- IAC Districts, or
- Standing or steering committees of IAC.



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LEGISLATIVE RESOLUTIONS

- Must be submitted electronically to IAC by September 1st to be presented at the IAC Annual Conference
- Must meet the criteria established in the IAC Bylaws (Article VIII, Section 2)



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IAC'S RESOLUTION PROCESS

- Each resolution is assigned a number and placed on a steering committee agenda
- The sponsor presents the resolution
- Steering committee members make a recommendation to the IAC Legislative Committee (2/3 approval)



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IAC'S RESOLUTION PROCESS

- Resolutions that fail in committee will not be presented to the Legislative Committee
- Legislative Committee considers all resolutions adopted by the steering committees and submits its recommendation to the membership for final consideration
- All resolutions passed by the steering committees are presented to the full membership with recommendation from the IAC Legislative Committee



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NOW WHAT?

- Adopted resolutions are placed on the first Legislative Committee meeting agenda following IAC Annual
- Legislative Committee prioritizes resolutions and recommends a number not to exceed ten resolutions to the Executive Director
- The IAC Legislative Package is sent out electronically to the membership by December 1



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DURING THE SESSION...



- IAC's Legislative Committee may take positions on specific legislation that impacts Idaho's counties



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IAC SPONSORED LEGISLATION



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IAC LEGISLATIVE PRIORITIES

- **HB0173 – Mail Ballot Precincts**
 - Increases the threshold for mail ballot precincts from 125 registered voters to 140 registered voters, with a buffer to 150 registered voters.
- **S1054 – Regional Behavioral Health Board Appointing Authorities**
 - Removes the statutory requirement that only the chairman of a board of county commissioners may serve on the appointing authority of a Regional Behavioral Health Board allowing any sitting county commissioner to serve on the appointing authority.
- **S1055 – Marriage Licenses**
 - Repeals Section 32-412A, Idaho Code, requiring the county clerk to provide an AIDS information pamphlet to those receiving a marriage license.



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IAC LEGISLATIVE PRIORITIES

- **S1074 – County Obligation for Jail Medical Expenses**
 - Limits the county sheriff's duty to provide medical care to only those in the sheriff's custody for the duration of their incarceration except for injuries sustained in the jail for which a temporary release is granted.
- **S1093 – Supervised Pretrial Release Programs**
 - Authorizes in statute county pretrial release supervision programs, allowing supervision fees to be collected by the clerk of the district court. Individuals found not guilty of crimes are not required to pay monthly supervision fee.



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IAC LEGISLATIVE PRIORITIES

- **S1116 – Distribution of Liquor Funds for Magistrate Courts**
 - Clarifies how liquor funds dedicated for magistrate court operations are to be apportioned to counties.
- **S1122 – Juvenile Probation Fees**
 - Authorizes fees for juvenile probation to be assessed and collected by the clerk of the court.
- **S1123 – Tax Intercept for Debts Owed to the Court**
 - Broadens the ability to intercept income tax returns for debts owed to the court for any amounts as well as for infractions.



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MEDICAID EXPANSION



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MEDICAID EXPANSION

- Pursuant to Proposition 2, Medicaid will be expanded on January 1, 2020 to cover Idahoans making less than 138% of the federal poverty level (FPL).
- Senate Bill 1171 appropriated \$19.9 million in state funding and \$177.4 million in federal funding for FY2020 (six months)
- Senate Bill 1205 will require the Department of Health and Welfare to seek certain waivers from federal Medicaid law.



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SENATE BILL 1205

- Waivers requested:
 - IMD Waiver: Allow certain standalone psychiatric hospitals to accept Medicaid for mental and substance abuse disorders.
 - Work Requirement (1): Require all able bodied adults to work at least 20 hours a week to qualify for Medicaid. Those that fail to work will be required to pay a copay for medical procedures.
 - Work Requirements (2): Require all able bodied adults to work at least 20 hours a week to qualify for Medicaid. Those that fail to work will be removed from Medicaid expansion for up to two months.
 - NOTE: There are many exemptions for work requirements, including for the disabled and ill, those caring for the disabled or ill, parents with children in the home, those over 59, etc.



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SENATE BILL 1205

- **Waivers requested (cont'd):**
 - Grant Idahoans making between 100% and 138% of the FPL the option to purchase subsidized insurance on the exchange in lieu of enrolling in Medicaid expansion.
 - Require individuals seeking family planning services outside of their medical home to receive a referral for family planning services.



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MEDICAID EXPANSION UNCERTAINTY

- Waivers must be granted by December 31, 2020
- If waivers are not granted, Medicaid expansion will proceed without eligibility sideboards (i.e.: no work requirements)
- Work requirement in S1205 are likely to be challenged in court
- County indigent and state CAT programs remain in place (for now)
- Medicaid Interim Committee will review long term funding options and make recommendation to Legislature in 2020
- Counties may have to pay for some of the costs of enrolling county residents in Medicaid expansion



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INTERIM COMMITTEE

- Co-chairs: Rep Fred Wood, Sen Jim Rice
- Senate: Burtenshaw, Lent, Jordan, Souza
- House: Addis, Blanksma, Green (18), Raybould
- IAC will have a non voting seat on the interim committee



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OTHER LEGISLATION



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DISCLAIMER

- IAC tracks hundreds of bills each year.
- Only legislation that passed the legislature will be discussed.
- There will time for Q&A to ask questions about legislation that did not pass.



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ELECTIONS LEGISLATION

- **H0171 - Election Law Deadlines**
 - Clarifies certain areas of election law, including timing of deadlines that sometimes fall on the weekend to ensure the deadlines fall on Fridays, and to update correct citations to federal law.
- **H0270 - Use of Schools as Polling Places**
 - Requires public school facilities be made available for polling places.
- **S1113 - Campaign Finance Reform**
 - Any candidate for public office that raises or spends at least \$500 must file a campaign finance report.
 - Reporting to be accepted online via a Secretary of State portal.
 - County clerk responsible for local campaign finance administration, county prosecutor responsible for prosecuting violations.
 - Effective January 1, 2020



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TRANSPORTATION LEGISLATION

- **H0075 – Permits for Out-of-State OHVs**
 - Imposes a \$12.00 sticker fee for non-resident OHV of- road travel in Idaho. \$1.00 from every sticker will be allocated to the off-highway vehicle law enforcement fund and dedicated for off-highway related law enforcement activities.
- **H0168 – Over Legal Truck Routes**
 - Establishes a process and fees for designating routes and issuing permits for vehicles with gross weights between 105,501 and 129,000 pounds. Allows local governments to retain jurisdiction over designation of 129k truck routes on local system. If a local jurisdiction chooses to designate routes, it must establish a permit application process, including up to a \$5,000 engineering fee and \$100 permit fee. \$50 of each permit is dedicated to special grant assistance fund to assist jurisdictions pay for engineering studies.



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TRANSPORTATION LEGISLATION

- **H0179 – Vehicle Insurance Enforcement**
 - Requires ITD to maintain database of insured registered vehicles.
 - ITD will rescind vehicle registrations for uninsured vehicles.
 - ITD also responsible for reinstatement.
- **S1201 – Road Funding**
 - Over five years, phases out funding for ISP from the Highway Distribution Account. Upon full phase in, HDA funds will be apportioned 60% to the state and 40% to local highway authorities, including counties.



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PUBLIC DEFENSE WORKLOAD STANDARDS

- 2 active capital cases at a time;
- 210 non-capital felony cases annually;
- 520 misdemeanor cases annually;
- 232 juvenile cases annually;
- 105 child protection/parent representation cases annually;
- 608 civil contempt cases annually; or
- 35 non-capital substantive appeal cases annually



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PUBLIC DEFENSE WORKLOAD STANDARDS

- County responsibility for compliance with the maximum caseload standard is contingent upon the appropriation of state funds as provided in Idaho Code § 19-862A at a level necessary to implement the numeric standard. If an attorney's workload exceeds the numeric standard, a justifiable reason, including an attestation from the attorney that constitutional representation was provided, shall be included with the annual report submitted pursuant to Idaho Code § 19-864.



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PUBLIC DEFENSE LEGISLATION

- **S1158 – FY2020 Public Defense Commission budget**
 - \$5,814,800 base budget
 - State share will remain at 15%
 - \$5,560,000 for workload standards
- **H0043 – Public Defense Grants**
 - Changes the terms “grant” to “financial assistance” and “application” to “compliance proposal.”



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PROPERTY TAXATION

- **H0087 – Ag Equipment Exemption**
 - Broadens eligibility for the ag equipment exemption to include harvest activities that some considered to be processing activities. The statute directs that the exemption is to be broadly construed.
- **H0164 – Tax Commission Notice to County**
 - Requires the tax commission to notify counties by April 1 of each year if it believes categories of property are erroneously appraised. The tax commission must provide the county with its decision rationale. Failure to provide notice will prevent the tax commission from being able to equalize values.



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URBAN RENEWAL

- H0217 – Urban Renewal Project Elections
 - Adds multipurpose sports complexes to the definition of public facilities.
 - Requires 60% voter appropriable if a majority of funds for public urban renewal projects are from public sources.
 - Infrastructure improvements (streets, sidewalks, curbs, gutters, utilities, etc.) is exempt from a public vote.



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ONLINE SALES TAX

- H0259 – Collection of Online Sales Tax
 - Defines “marketplace facilitator” to conform with *Wayfair* decision
 - Retailers with physical presence in Idaho will remit continue to remit online sales and use tax to Idaho with the proceeds distributed pursuant to the sales tax distribution formula.
 - Retailers that do not have a physical presence in Idaho with Idaho based sales above \$100,000 will be required to remit sales and use tax to the state of Idaho. Taxes remitted will be diverted away from sales tax distribution formula and used for tax relief.
 - After five years online sales tax collections from retailers without an Idaho presence will be apportioned through sales tax revenue sharing formula.



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JUSTICE AND PUBLIC SAFETY

- **H0118 – Pretrial Risk Assessment**
 - Establishes that tools used for pretrial risk assessment must be transparent and open for public inspection.
- **S1110 – Bail Enforcement Agents**
 - Establishes minimum standards for the bail enforcement community, including notification to county sheriff.
- **S1134 – Master Jury Lists**
 - Allows Administrative Director of Courts to maintain master jury list through Odyssey for any county wishing to opt in to the program.



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MISCELLANEOUS

- **H0015 – Public Records Requests**
 - Prohibits governmental entities from charging sales tax for public records requests.
- **H0076 – eBikes**
 - Establishes classifications for electric bicycles with three industry standard categories.
 - Preserves local control over regulation.
- **S1028 – PTSI for Workers Comp**
 - Adds workers comp coverage for PTSI when a first responder demonstrates that the injury was caused by events arising out of or in the course of the first responder's employment



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PURCHASING LEGISLATION

- **H0160 – Sole Source Purchasing**
 - Clarifies that an emergency declaration is not required for sole source purchase as long as the purchase meets the requirements of sole source purchases in statute.
- **S1047 – Cooperative Purchasing Agreements**
 - Repeals outdated cooperative purchasing statute and modernizes it with new language that allows cooperative purchasing agreements through a variety of entities, including:
 - The State of Idaho
 - Other Idaho political subdivisions
 - Other governmental associations
 - Programs that offer goods or services as a result of a competitive solicitation process



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PUBLIC HEALTH LEGISLATION

- **H0151 – Food Inspection Fees**
 - Clarifies how licensing and inspection fees for food establishments are imposed.
 - Gradually increases food licensing fees in 2020 and 2022.
 - Clarifies that public health districts cannot impose additional fees or licenses outside of what is statutorily authorized.



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PLANNING AND ZONING LEGISLATION

- H0025 – Annexation of Ag Land
 - Prohibits the annexation of land more than five acres and actively devoted to agricultural purposes without owner consent.



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OUTLOOK FOR 2020



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WHAT TO WATCH FOR IN 2020

- Administrative rules
- Business personal property tax exemption
- Highway district consolidation
- Medicaid expansion funding
- Revenue Sharing
- School funding
- State budget/revenue collections
- State prisons funding
- Transportation funding
- *Tucker v Idaho*



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OPE STUDY ON COUNTY REVENUES

- Review the overall revenue picture for counties
- Determine the impact of state and federally owned lands on county budgets
- Review the impact of property tax exemptions (both real and personal) on county budgets



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ANY QUESTIONS ABOUT LEGISLATION NOT COVERED?



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Cross of Idaho**
One Mission: You

**WESTERN
STATES**

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