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IAC Legislative Committee

February 26th, 2025 | 10:00 am – 12:00 pm MST 700 W Washington St | Boise, ID

MEETING MINUTES

Call to Order | Chair Don Hall

Clearwater Sheriff Chris Goetz motioned to approve the February 19th, 2025 minutes, seconded by Vice Chair Tom Dayley. Motion passed.

Priorities

H0166 | Public Notices

This bill has been referred to the Senate State Affairs committee. It passed the House last week. At this point we are awaiting a hearing to be scheduled. The newspaper lobby is out in full force against this bill.

H0267 | Boards of Commissioners

Deals with the synopsis issue, and it has been referred to the local government committee last week, but not scheduled for a hearing at the moment.

H0278 | Consolidated Elections

- Heard in committee yesterday morning and passed out of House State Affairs and is now on the House floor.

H0211 | 911 Grant Fee & IGA-10 | Tourism Tax

- H0211 will not be moving forward and can be pulled from the agenda. The tourism tax bill has some conflicting timing at the moment. House leadership appears to be working on a proposal but it hasn't advanced yet, and with only approximately four weeks left in the session, time to get this across the finish line is running out. As a recap, what House leadership has appeared to support is a lodging tax of up to 3% on essentially anything you would rent temporarily in a county would go before the voters, and if approved by the voters, that 3% total would be split in half, where half of that would go to homeowner tax relief, and the other half would go to the counties. The half that goes to counties would be used for public safety related services, such as law enforcement, EMS, search and rescue, and fire services. Counties would have to specify where the funds would go specifically in regard to public safety services, but is flexible within that service.

S1118 | Procurement Thresholds & IGA-11 | Responsible Bidder

- Substantial opposition from the AGC on adding the responsible bidder portion to the local procurement statute. There will likely be a working group over the summer to look more broadly at procurement, in order to keep the dialog going if it can't keep moving this session.

As far as procurement thresholds goes, it is on the third reading calendar in the Senate at the moment, and is looking good.

IGA-13 | Public Defense Reform

There was a stakeholder meeting yesterday in the government's office that went on longer than anticipated, as the group worked through various different interests in putting together a piece of legislation that would attempt to address the deficiencies within the system right now, particularly in how it's been implemented. The goal is to get the language out by the end of this week.

The focal points include:

- Cost control at the State level, dealing with State and contract public defenders and their contracts to help bring down costs.
- Facilities. There are competing perspectives on the deadline of county facilities use. As expected, there is pushback about the date.
- Cost related issues for who is ultimately responsible for what costs in those facilities. In addition, there is an attempt in the language by the State to narrow the types of cases the State would cover.
- A baseline dollar amount to maintain the status quo that has been set up is approximately \$66-69 million dollars a year. To make salary adjustments for attorneys, that number could be as high as \$88 million.

Policies

H0314 | Youth Vape Prevention & H0244 | Electronic Smoking Devices

- H0314 introduces the tax component, and the fact that it got an introduction is a step in the right direction. H0244 has a hearing scheduled for Wednesday in House Health & Welfare. H0314 is the tax component, and H0244 is the redlight registry list component.

H0130 | Hospital Property Tax Exemption

Advanced out of the House and is in the Senate as was referred to the Senate Local Gov & Tax Committee. Going to try and get more information about what Senate leadership wants to do with the bill, so we'll have some work ahead of us to get this moving.

H0206 | EMS & H0207 | EMS Trailer Bill

- Likely going to be debated on the House floor today. There has been discussion going on with the sponsors of the bill about the portion of the bill that talks about counties submitting a plan and how EMS would be covered in the entire county. That portion is for a new fund that has no funding in it. Due to this lack of appropriation, and in order to vet that out, there has been agreement to remove that portion of the bill, while the rest of it stays as is. There is discussion about whether or not it should be amended before or after it reaches the Senate, so updates will come.

S1101 | Coroner Duties, Definitions, Standards

Still sitting on the Senate third reading calendar. It will be heard today, but don't currently anticipate any issues.

H0143 | Solid Waste Disposal Responsibility

- There appears to have been a sort of 'ceasefire' on this bill. There were many stakeholders brought together for a meeting to discuss the legislation and dive into the crux of the issues. There were good discussions about the angst around transfer stations. There was agreement from a Republic representative to discuss with Republic Services, around potentially stopping the push for an opposition bill as talks go forward.

<u>Updates</u>

H0086 | Electric Vehicle Building Code (SUPPORT)

- Passed the House and out of committee yesterday with little opposition. It should be on its way to good fortune.

H0101 | Public Rights-of-Way (OPPOSE)

- A one pager on H0101 will be heard in transportation today and has been shared with a variety of legislators, and there have been meetings with all the committee members. The Chairman still doesn't like this bill, which is a positive due to his significant influence.

H0104 | Agricultural Buildings (OPPOSE)

- On its way to the Senate floor and will likely pass. (Remove?)

H0106 | County Fair Boards (OPPOSE)

- Had meetings with the Chair of Local Gov & Tax and went over concerns. He was sympathetic and to that, he hasn't agreed to give it a hearing yet, so work will continue on that.

H0129 | Land Bank Fund

- Would extend the time that the department of lands can keep land in the land bank fund from 5 years to 10 years. The concern that has been raised by some of the counties with a lot of State land in them, is that more and more State lands are being purchased and they are coming off of the tax rolls, and that 10 years may be too long.

H0180 | Broadband Infrastructure (OPPOSE)

- Has passed the House and is going to be in the State Affairs committee in the Senate. It is on permitting, 'shock-lock' for broadband. Would set in place timelines that cities and counties have to approve a broadband project, and if they fail to take action within that timeline, it is deemed to be automatically approved. The timeline varies depending on the project (reference bill language for those timelines).

Kootenai Commissioner Bruce Mattare motioned to oppose H0180, seconded by Clearwater Sheriff Chris Goetz. Motion passed.

H0185 | Search and Rescue Fund (SUPPORT)

This bill is going to be in Senate Jud & Rules. An amendment has been sent to LSO to address a small change, but anticipating no problems in the Senate.

H0233 | Agriculture Protection Areas (will be replaced with new bill)

- A new bill seeks to address the concerns that we have raised, and will likely be referred to Local Gov & Tax and could be heard as soon as tomorrow or early next week.

H0241 | Public Health District Boards (will be replaced with new bill)

Rep. Pickett will probably be pulled, and there is a new draft to address concerns that have been brought up and fix some language within the bill.

H0253 | Public Records, Requests, Residents (SUPPORT)

It passed without complaint. No other updates.

H0261 | County Jails (SUPPORT) (remove)

This item will be pulled from the agenda.

H0266 | Idaho Building Code Act (SUPPORT)

This legislation would allow for virtual re-inspections. There would be a shot-clock for timeliness to complete, which was originally set at 15 days, but there is language to change it to 48 hours. Some members were concerned about the reduction in the timeline causing issues, especially for smaller counties. As a reminder, this is for re-inspection, not the original inspection. IAC will attempt to work on a compromise to increase the proposed change of 48 hours to 5 business days.

Minidoka Commissioner motioned to remove support for H0266 and monitor until changes to the language are made to increase the 48 hour threshold, seconded by Madison Commissioner Brent Mendenhall. Motion passed.

H0271 | Advertising Illegal Products & Services (monitor)

- A meeting with Rep. Boyle and Senator Lakey went well, and they mentioned that there are special laws that this legislation wouldn't apply to casinos as there are laws in place already to not involve casinos. The committee feels that this bill would benefit from a more focused approach on billboards, rather than the larger scope it currently is attempting to take.

H0304 | Property Tax Relief

- This bill was re-introduced, and was a repeat of a prior iteration. Proposes an additional \$50 million for homeowner tax relief and additional funding to the school district facilities fund. The balance of homeowner tax relief would go to all property owners.

H0329 | Rate-Regulated Utilities

This is the final version of the bill that has been discussed for the duration of the session. The bill intends to exempt certain rate-regulated utilities (any electric or gas rate-regulated utilities) from property tax. In lieu of a property tax there will be a kilo-watt or therm-hour tax that is levied on those jurisdictions. The tax generated will be collected by the State Tax Commission who will then apportion those dollars to the counties and the counties will distribute it out to the necessary districts. The portion will be locked in the next budget year, so the rates are based on the 2024 tax year, but the allocations will be based on the 2025 tax year. The proposed rates will produce an equal amount of revenue to property taxes collected this year. The goal is to make this revenue neutral. Operationally, rate-regulated utilities will pay a property tax in this upcoming tax year, until this takes effect. After the proportionate shares are determined, allocations may be changed if a revenue allocation sunsets, then those funds will be redistributed within the jurisdiction that have that revenue allocation area. If a taxing district dissolves, those dollars will be redistributed to the reminding taxing districts, the same goes for voter approved bonds. If a new taxing district or new bond measure after the law goes into effect, those new bonds, revenue areas or taxing districts, will not be entitled to the revenue sharing. The reason for this is because it will detract from every district receiving previously and will mess with the allocations. There is language included to address the 4-R act loophole as well. When this law goes into effect, any previous non-entitled district will no longer receive the adjustment. The rates can be found on pg. 5 of the draft. There is anticipation that this bill will make it through as it has support from Legislative leadership. This will not impact wind and solar tax.

S1083 | Domestic Water

- Heard in committee earlier this week, and it was sent to the 14th order for the amendment, some of which were the amendments raised by us. With these additional amendments, which include 'may' language for counties to not be forced to follow up on certain enforcements, the bill stands in a good place now.

Valley Commissioner Sherry Maupin motioned to support S1083, seconded by Clearwater Sheriff Chris Goetz. Motion passed.

S1089 | Waste Tire Recycling (SUPPORT)

Advanced out of the Senate Health & Welfare committee by a single vote. Two individuals may have indicated that they will change their vote on the floor. Awaiting updates until then.

S1112 | Flow Control & Solid Waste (OPPOSE)

Discussion can be found above.

S1121 | Coroner Final Disposition (SUPPORT)

- Senator Harris presented this in Senate State Affairs this morning and it passed out without any issues, and will move to the Senate floor. This bill would allow staff of a funeral home to work as a deputy coroner.

S1125 | Defense of State Law - Political Subdivisions (SUPPORT)

- Introduced last week that would allow a local government carrying out a state law that is challenged as unconstitutional, to apply for assistance in funds from the local constitutional defense fund of a city or county defending a state law. It would only apply to state laws that are being challenged for their constitutionality.

New Legislation

H0255 | Urban renewal, Opt-out, Dissolution (monitor)

- A bill introduced by Rep. Weber, over a week ago. There are some conversations that could allow this bill to move forward, which intends to allow an easier process for a revenue allocationary to be ended early, along with a few other aspects.

H0315 | Sales Tax, Exemption (monitor)

- Currently, if you are a data center, there is a sales tax exemption that is offered to those developers for the equipment that goes into use in the data center. This bill proposes that down the road (after March 1st, 2025), there would be a removal of this sales tax exemption. The sales tax dollars generated from these purchases are distributed to wayfair, and would essentially skip the counties.

H0316 | Homestead Exemption, ID, Domicile (monitor)

- Last year, a bill was run that required an ID for applying for a homestead exemption, but it didn't specify it needed to be an Idaho ID. This bill would address those who just moved to Idaho, 90 days to get information to assessors for an exemption. It also adds clarifying language that was implemented that does not apply to active military.

H0317 | Commercial Wind Turbines, Taxes (monitor)

- This bill will likely not make it through the whole process this year, but the BOCC would be required to put it on the ballot. If voters approve it, it moves forward. If voters reject it, the project can still move forward, but an excise tax would impose \$25,000 of every foot tall the wind turbine is. The money would go to the school district facility fund to pay down bonds and levies.

H0321 | Property Rights, Unauthorized Persons (monitor)

- A squatters bill introduced yesterday. Would create some stipulations that would need to be met for people to be removed from residential properties. Sheriffs would have to verify information submitted to them, and if found guilty, would warrant a misdemeanor.

S1129 | Deprivation of Religious Liberty or Freedom of Speech (monitor)

- The bill introduced this year has the language we recommended to the bill we opposed last year. It would establish under state law, a mechanism for someone to challenge a governmental entity, on the grounds they have done something to violate the free speech or religious rights of that individual. Last year it had no limitations in place and was overly broad. This bill includes caps on damages for attorney fees and non-economic damages, and there are limitations in place so it doesn't get too out of hand. In addition, it provides exceptions where counties and other local jurisdictions can't be sued for doing their job.

Potential New Legislation

Proration / Burden of Proof

- Would allow for the burden of proof to be shifted at the BTA level, but only if the party that is seeking an increase, finds that the value exceeds 10% and the assessor failed to follow the assessment principles. The rest of it, is the proration bill that we worked on and supported on last year. Updates to come.

S1135 | Coroner Confidentiality (SUPPORT)

This was introduced in State Affairs this morning, the bill number is S1135 and was introduced without any issues. Updates to come.

General Discussion

- H0261 | County Jails was pulled because it was introduced simply for discussion only, not necessarily a true attempt to pass the bill. It may come back next session.

Adjournment @ 12:00pm.

IAC Legislative Committee

MEMBERSHIP

*MEMBERS HIGHLIGHTED WERE IN ATTENDANCE

CHAIR Don Hall Twin Falls Commissioner		VICE CHAIR Tom Dayley Ada Commissioner	
Bruce Mattare District 1: Kootenai Commissioner	Donavan Harrington District 5: Bingham Assessor		Annette Dygert IACT: Owyhee Treasurer
Chris Goetz District 2: Clearwater Sheriff	<mark>Brent Mendenhall</mark> District 6: Madison Commissioner		Vic Pearson IPAA: Franklin Prosecutor
Sherry Maupin District 3: Valley Commissioner	Hollie Ann Strang IACA: Gem Assessor		Andy Creech ISA: Payette Sheriff
Ben Crouch District 4: Jerome Commissioner	<mark>Jared Orton</mark> IACC: Minidoka Commissioner		<mark>Scott Carver</mark> ISACC: Valley Coroner
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ALTERNATES

Phil Lampert District 1: Benewah Commissioner	Eric Jackson District 5: Bingham Commissioner	Elizabeth Mahn IACT: Ada Treasurer
Brad Higgins District 2: Idaho Commissioner	Shayne Young District 6: Jefferson Commissioner	Vacant <i>IPAA:</i>
Zach Brooks District 3: Canyon Commissioner	<mark>Josh Dison</mark> IACA: Elmore Assessor	Matt Clifford <i>ISA: Ada Sherif</i> f
Vacant District 4:	<mark>Kim Keeley</mark> IACRC: Teton Clerk	Pam Garlock ISACC: Boise Coroner

*More attendees listed below

IAC Staff

<mark>Seth Grigg</mark>

Sara Westbrook

Kelli Brassfield

Chase Christensen

Clay Boeckel

More <mark>Jeff Lavey</mark>