

IAC Legislative Committee

February 17, 2021 | 10:00 am - 12:00 pm

Zoom Meeting

MEETING MINUTES

Call to Order

Vice Chair Peterson called the meeting to order at 10:00 am.

The following committee members were present:

Chair: Justin Baldwin, Gooding Assessor
Vice Chair: Donna Peterson, Payette Treasurer
IACA: Brad Wills, Twin Falls Assessor
IACC: Doug Zenner, Nez Perce Commissioner
IACRC: Carrie Bird, Clearwater Clerk
IACT: Annette Dygert, Owyhee Treasurer
IPAA: Danny Clark, Bonneville Prosecutor
ISA: Kieran Donahue, Canyon Sheriff
ISACC: Scott Carver, Valley Coroner

District 1: Dan Dinning, Boundary
Commissioner
District 2: Justin McLeod, Lewis Commissioner
District 3: Phil McGrane, Ada Clerk
District 4: Don Hall, Twin Falls Commissioner
District 5: Terrel Tovey, Bannock
Commissioner
District 6: Brent Mendenhall, Madison
Commissioner

The following guests were present:

Seth Grigg, IAC
Sara Westbrook, IAC
Kristin Cundiff, IAC
Kelli Brassfield, IAC
Tim Hibbard, IAC
Kathryn Mooney, IAC
Angie Barkell, Owyhee Clerk
Jessica Lewis, Bingham Commissioner
Tracie Lloyd, Canyon Treasurer

Kathie LaFortune, Latah Commissioner
Craig Rowland, Bingham Sheriff
Sherry Maupin, Valley Commissioner
Chris Goetz, Clearwater Sheriff
Holly Rebholtz, IPAA
Murphy Olmstead, ISA
Lorna Jorgensen, Ada Prosecutor's Office
Dakota Menke, Payette County

Minutes Approval (Action Item)

Valley County Commissioner Sherry Maupin moved to approve the February 10, 2021 meeting minutes. Twin Falls County Commissioner Don Hall seconded the motion. The motion carried.

Discussion Items

- [H0112](#) Sales Tax Rebate, Road Materials

- House Bill 112 allows government agencies to receive a rebate for sales and use taxes that are collected and remitted by the state tax commission by contractors that purchase or use road materials for construction or repair of streets, highways and roads on behalf of a government agency.

Nez Perce County Commissioner Doug Zenner moved to support House Bill 112. Madison County Commissioner Brent Mendenhall seconded the motion. The motion carried.

- [H0127](#) Broadband Fund, Board
 - House Bill 127 is Representative Blanksma's bill. It creates a broadband fund and a broadband advisory board made up of three house members appointed by the Speaker, three senators appointed by the Pro Tempore, and three public members appointed by the Governor.
 - The board would create a statewide broadband plan to determine the manner for structuring, prioritizing and dispersing grants from the Idaho broadband fund to the areas of the state that are most in need.

Nez Perce County Commissioner Doug Zenner moved to support House Bill 127 under the condition that there is at least one county seat on the board. Onybee County Treasurer Annette Dygert seconded the motion. The motion carried.

- [H0133](#) Transportation Funding
 - House Bill 133 was introduced last week by Chairman Palmer. It amends the Transportation, Expansion and Congestion Mitigation program, allowing for additional funds for roads and bridges. It increases sales tax that are already used to bond projects from 1% to 3% for bonding purposes.
 - It also allows for local governments to participate in the bonding process with 40% going to locals for one-time projects. It also increases user fees for issuing titles for use on local transportation systems. It will result in a \$15 million dollar increase for locals.

Nez Perce County Commissioner Doug Zenner moved to support House Bill 133. Twin Falls County Commissioner Don Hall seconded the motion. The motion carried.

- [H0136](#) At-large Elections
 - House Bill 136 was introduced by Representative Blanksma. It is intended for very small political subdivisions (under 140 voters). It will allow them to apply for an exemption of having their seats voted by zone.

Ada County Clerk Phil McGrane moved to support House Bill 136. Bannock County Commissioner Terrel Tovey seconded the motion. The motion carried.

- [H0137](#) Post-election Ballot Audit
 - House Bill 137 establishes an audit system for elections in counties established by lottery. The cost to the counties could vary widely. The fiscal note says the cost could be up to \$100,000. There is some vague language that makes it difficult to understand what the end results could be.

Madison County Commissioner Brent Mendenhall moved to table House Bill 137. Ada County Clerk Phil McGrane seconded the motion. The motion carried.

- [H0149](#) Coronavirus Immunity, Sunset Date
 - House Bill 149 changes the sunset date from July 1, 2021 to July 1, 2022 for the COVID-19 immunity and liability legislation that passed during the special session.
- [H0161](#) Driver's License Fees
 - House Bill 161 increases the fees that sheriffs can collect for class-D drivers licenses by \$5. It's been in the works for many years and this is the first year they have been able to get a bill number. It's a very big deal for our sheriffs.

Twin Falls County Commissioner Don Hall moved to support House Bill 161. Nez Perce County Commissioner Doug Zenner seconded the motion. The motion carried.

- [H0192](#) Public Defense
 - House Bill 192 would establish a state-based public defense system. It would create a new office of public defender within the division of self-governing agencies. From there, each judicial district would have a state-operated public defense office to provide services within that district.
 - One issue that needs to be worked out is the aggregation of State Appellate Public Defenders Office within the state public defender's office which is problematic due to the two varying functions: trial and appellate.
 - It repeals the Capital Crimes Defense Fund statute as counties would no longer be responsible for providing those services.
 - It would alter the composition of the board that would oversee the hiring of a chief public defender for the state level. The board would be made up of one county commissioner from each judicial district as well as other positions.
 - The funding proposal diverts a portion of county revenue sharing away to the tune of \$27.9 million. There are issues with the way the funding is structured.
- [H0199](#) Grocery Tax Credit
 - House Bill 199 was introduced Tuesday morning. It impacts counties in two ways. This bill proposes buying down both the income tax rates within each of the income tax brackets, and it also reduces the total amount of sales tax from \$0.06 to \$.053. The state proposes paying for the reductions from 3 sources. 1. Repealing the grocery tax credit (saving \$160 million), 2. The online sales tax relief fund dollars that have been set aside for the past two years would bypass the sales tax distribution formula and be deposited directly to the state general fund (estimated by the state \$110 million, though IAC believes its closer to \$130 million and growing), 3. They would also take a quarter of the online sales tax money each year going forward. The impacts to counties are:
 - It reduces the amount of revenue sharing from 6% to 5.3% which will likely result in a \$15 million hit to county revenue sharing.
 - The online sales tax bucket was promised to flow through the sales tax distribution formula. This revokes that promise, meaning counties would not see that money.
 - Counties would receive the greater of either the amount of money it received in revenue sharing in 2021, or the actual amount produced in the formula. This would likely freeze revenue sharing for several years, thus losing the growth.

- The Governor is opposed and will likely introduce his own legislation that would allow for the online sales tax dollars to flow through the distribution formula, it would also raise the fuel tax by \$0.04 increasing transportation funds for counties.
- IAC recommends opposition.

Canyon County Sheriff Kieran Donabue moved to oppose House Bill 199. Lewis County Commissioner Justin McLeod seconded the motion. The motion carried.

- [S1102](#) Vehicle Registration, Electronic
 - Senate Bill 1102 would authorize ITD to allow providers to electronically file vehicle titling and registration transactions directly to ITD. IACA will get together and contact the bill sponsor and express their concerns.
- [S1105](#) Bond Levy Expiration, Tax Notice
 - Senate Bill 1105 corrects a drafting error from House Bill 518a from the previous year to ensure the original intent of the bill is maintained. It also makes a few technical corrections and a new requirement that ensures counties maintain an electronic version of the voter approved bonds and levies on their website.

Onybee County Treasurer Annette Dygert moved to support Senate Bill 1105. Payette County Treasurer Donna Peterson seconded the motion. The motion carried.

- [S1108](#) Property Tax Budget Caps
 - Senate Bill 1108 established a cap on local budget growth to 3% plus up to 75% new construction. Had this bill gone into effect in 2001, county budgets would be at a shortfall of about \$35 million by 2019, essentially putting counties back one year.
 - There are some drafting issues with the bill that need to be addressed first, but this could be the best offer counties get as alternatives like S0148 would put counties back about \$127 million, or four and half years behind. The impact of a 5% alternative would equate to a short fall of about \$74 million, or two and half years behind.
- [S1110](#) Ballot Initiatives, Legislative Districts
 - Senate Bill 1110 would increase the threshold for the number of legislative districts required for obtaining signatures to all 35.
 - IAC expects this bill to be very controversial and active.
- [S1120](#) Collective Bargaining for Peace Officers
 - Senate Bill 1120 establishes collective bargaining rights of peace officers. Sheriff Donahue informed the committee that the sheriffs opposed this legislation.

Twin Falls County Commissioner Don Hall moved to oppose Senate Bill 1120. Payette County Treasurer Donna Peterson seconded the motion. The motion carried.

- [S1125](#) Mental Health
 - Senate Bill 1125 establishes a 988 number the public could use in-lieu of 911 for mental health crisis and suicide prevention. The goal would be to allow for social workers to respond to crises.
 - To fund the program there would be a fee of \$1.00 per phone line assessed each month for an estimated total of about \$20 million.

- Sheriff Donahue noted that the sheriffs oppose this legislation but was unable to say why as he had to leave the meeting. The committee decided to monitor until further information could be gleaned.
- [HCR008](#) PILT Tax Equivalency
 - HCR008 calls on the study committee on federalism to research PILT tax equivalency and set up a pilot program to pilot technologies to see what PILT could look like under a tax equivalent scenario. Other applications could include a tool for county assessors by providing real time values of property in each county.

Payette County Treasurer Donna Peterson moved to adjourn the committee meeting at 12:32 pm. Owyhee County Treasurer Annette Dygert seconded the motion. The motion carried.

The meeting was adjourned.

IAC Legislative Committee

MEMBERSHIP

CHAIR

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Gooding County Assessor

Brad Wills
LACA: Twin Falls Assessor

Annette Dygert
LACT: Onybee Treasurer

Scott Carver
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Phil McGrane
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