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IAC Legislative Committee

February 22, 2023 | 10:00 am – 12:00 pm

<u>Zoom</u>

MEETING MINUTES

Call to Order | Chair Don Hall

Latah County Commissioner Tom Lamar made a motion to approve the minutes from February 15, 2023, Owyhee County Treasurer Annette Dygert seconded. Motion carried.

Update on 2023 Legislative Package

IGA-06 Preliminary levy rate

The bill dedicates 4.5% of annual sales tax revenues to property tax relief, providing a subtraction from each homeowner's total property tax bill. For the year 2023, approximately \$205 million will be appropriated from the Fiscal Year 2023 General Fund surplus so this relief can begin in the first year of the bill's passage. In addition, this bill makes a change to the property tax reduction program (aka Circuit Breaker) by increasing the maximum value of a home that qualifies, and by raising applicant income limits so more low-income applicants qualify for the Circuit Breaker program. The bill includes a surplus eliminator provision to appropriate and transfer up to \$150 million per year in Fiscal Years 2023, 2024, and 2025 to the homeowner relief account.

Meeting with the speaker this afternoon to see what they want to accomplish. Rep. Monks had some interest in including the lodging tax, but it might get held up.

What about the homeowners' exemption threshold? Monks is still willing but not sure about Moyle. What can the committee do to help with the lodging tax? Staff requests the committee wait until we know if the House is really willing to include it.

- <u>H0070</u> County Indigent Services HB735 clean up
 H0070 will be heard in the Senate Health and Welfare committee on Monday afternoon.
- IGA-11 Vape tax
 Rep. Monks has agreed to hear this proposal and there are a number of committee
 members that have signed on to be co-sponsors. Staff will have a draft from LSO soon.
- <u>H0085</u> DMV Title Fees This bill had a hearing in the Senate Transportation committee yesterday and was sent to the floor with a due pass recommendation.

IAC promotes county interests, encourages ethical behavior, advocates good public policy on behalf of Idaho counties, supports best practices, and provides education and training to assist Idaho county officials in performance of public service.





• IGA-17 Lodging and Tourism See property tax notes above.

New Business (Action)

• <u>H0100</u> Property Valuation – Opposed

Staff had a great meeting with Rep. Manwaring. The assessors have some language that fixes the problem that the representative sees. The assessors are also working on a sheet that would show the math on how the valuation would be done and would be available for those that request it. Staff sees a path forward.

• H0101 Homeowners' Exemption No Proration – Opposed

Staff had a meeting with the sponsor last week. He is open to changing his proposal to be prorated on a quarterly basis. Rep. McCann is also still working on a draft. Staff and Owyhee County Treasurer Annette Dygert will be meeting with Rep. Monks to discuss the amount of tax cancelations the counties have been experiencing. The committee may take a different position if there is a new draft. Latah County officials have been working with Rep. McCann to have her draft be prorated as the application comes (date of the application) instead of quarterly. Canyon County is concerned with prorating by the day. There are a lot of applications and lumping them together and running them at once is easier than instead of by each day.

H0109 Hospital Property Tax - (Action)

This bill is from from Ada County. They have asked for support from our committee. The exemption right now does not require hospitals to come in each year to apply for the exemption. This would require an application each year and would also allow for taxation of other facilities/buildings that are not actually hospitals. Those facilities would remain on the rolls. The revenue and taxation committee felt that the other bill, H0110, gave to much discretion to the BOCC. It will not be moving forward. How does this impact the bare land they own? Our understanding is that it would be taxable. If the hospital is a non-profit, will the BOCC still be able to utilize the other exemptions? Should still be able to use them.

Owyhee County Treasurer Annette Dygert made a motion to support H0109, Bingham County Commissioner Mark Bair seconded. Motion carried.

H0130 Electric Fuel Tax - (Action)

This bill was reintroduced this morning. There was an error in the amount of tax. The new bill changs the amount from .008 cents to .8 cents. This would be to help pay for roads.

Staff will monitor this bill.

H0134 PTR for Veterans - (Action)



This bill would allow for a one-time exemption and not require veterans to come in each year and apply. Maybe for some, this is a difficult application, but for most, it doesn't appear that it is for most. How do we handle this if the disability rate changes? Is this a state concern at that point? Maybe there should be a verification process with the veteran services office. Could they provide a document stating that individuals that haven't changed and then the assessors could audit the rest? We could provide that feedback. There needs to be some sort of certification down the road. There is already existing code that the disability has to be certified by veteran affairs. Since there isn't an annual application, how do we track this? Assessors have to submit documentation to the state tax commission each year for their parcels.

Staff will monitor this bill.

H0160 Public Health Districts Risk/Benefit and Administrative Rules - (Action) This bill would add to the duties of the board of trustees. It would require the trustee develop a risk/benefit sheet "sheet" for all services provided by the public health districts. It would also change the rule making process for health districts. The bill itself appears to have some technical issues for timing connected to the rule making process. The bill would require a sheet for all new services to be developed within 30 days and to be adopted by rule. It takes a year to complete the rule making process. This bill would create a need for more staff to develop the sheets which in turn would be an increase cost to the counties. Kelli will be meeting with the trustees and directors to visit about this more.

Nez Perce County Commissioner Doug Zenner made a motion to oppose H0160. Madison County Commissioner Brent Mendenhall seconded. Motion carried.

<u>\$1053</u> Secure Loads - (Action)

This would require local governments to tarp their loads. The fiscal impact would be upwards of \$5M. There are some upfront costs but there would also be ongoing costs. This bill was heard in the Senate Transportation committee yesterday and was sent to the amending order. The sponsor would like to have the locals support and is willing to entertain some adjustments to the bill.

Do we also have to tarp the sand trucks in the wintertime? Yes. It would cost Bingham County between \$100,000 and \$150,00 to tarp their vehicles. The private sector has been required already to do this. This would be an unfunded mandate. How would they provide funding for this? This is still an ongoing conversation.

Nez Perce County Commissioner Doug Zenner made a motion to oppose S1053. Valley County Commissioner Sherry Maupin seconded. Motion carried.

<u>\$1073</u> Area of City Impact – Lakey - (Action)

The committee has been supportive over the last few discussions. The county planners do have some concerns. There has been lots of involvement from IAC and Cindy Riegel. Bingham County planner was involved. Once concern is the timing for the agreements



with the cities. It will be hard to get this done. We may need more time. We can discuss that point with Sen. Lakey. There was a discussion about allowing any jurisdiction that fits the criteria to continue their agreements. This does give a more power/authority to move these negotiations along. AIC is neutral as some cities like it, and some don't.

Valley County Commissioner Sherry Maupin made a motion to support S1073. Latah County Commissioner Tom Lamar seconded. Motion carried.

<u>\$1083</u> Political Subdivision Purchasing - (Action)

This was up for a hearing this morning in Senate State Affairs. It was sent to the floor. It raises the threshold for personal property from \$50,000 to \$75,000. It also changes the having to go through the formal bid process threshold. This would help our smaller communities.

Valley County Commissioner Sherry Maupin made a motion to support S1083. Bingham County Commissioner Mark Bair seconded. Motion carried.

<u> **S1086</u> Tort Claims - (Action)**</u>

This will be heard in Senate Judiciary and Rules committee this afternoon. Sen. Ruchti ran a bill in the past that would change the limitation for child abuse. There was an oversight in that bill, and he feels that this would be a clean up bill. It would include governmental agencies.

Staff will monitor this bill.

<u>S1104</u> Emergency Disaster Declarations - (Action)

This would limit governments to a single 30-day extension on declaration emergencies. It would apply to all emergencies. This is viewed as overreaching by a few that are trying to target one issue but is hampering everything else.

Valley County Commissioner Sherry Maupin made a motion to oppose S1104. Madison County Commissioner Brent Mendenhall seconded. Motion carried.

<u>S1107</u> PTR – Anthon - (Action)

This will be rolled into the main property tax bill. Will wait and see what happens over the next week.

Public defense – The Governor's office did put in some language that counties would be reimbursed for certain items. The state would be required to provide a facility transition plan. There are a few sticky points with the public defenders and the Governor's office is willing to address a few of those things but not all of them.

Has there been any more discussions about bringing another proposal about fentanyl? Staff hasn't seen or heard anything else. Sheriffs haven't heard either.



H0166 - This was addressed at NACo last week. This is trying to address housing issues. We changed our codes to allow for sheds to be built to code which will help with the housing crisis.

Education vouchers, Medicaid expansion, and the initiative measure: There is concern that there could be more burden on taxpayers if these bills pass. Staff doesn't see Medicaid expansion repeal happening. For education, there will probably a bill that moves forward but not the one that has been introduced. The initiative bill will likely be amended.

What about water issues? There is a push to put together a group to find a solution for next year.

The meeting was adjourned at 12:00 pm.

IAC Legislative Committee

CHAIR		VICE CHAIR	
Don Hall		Len Humphries	
Twin Falls Commissioner		Fremont Sheriff	
Luke Omodt	<mark>Mark Bair</mark>		Annette Dygert
District 1: Bonner Commissioner	District 5: Bingham Commissioner		IACT: Owyhee Treasurer
Tom Lamar	Brent Mendenhall		Vic Pearson
District 2: Latah Commissioner	District 6: Madison Commissioner		IPAA: Franklin Prosecutor
Sherry Maupin	<mark>Josh Dison</mark>		Kieran Donahue
District 3: Valley Commissioner	IACA: Elmore Assessor		ISA: Canyon Sheriff
Wayne Schenk	Doug Zenner		Scott Carver
District 4: Minidoka Commissioner	IACC: Nez Perce Commissioner		ISACC: Valley Coroner
	Angie IACRC: Ot	Barkell wyhee Clerk	
	A	ΝΔΤΕς	

MEMBERSHIP

ALTERNATES

Phil Lampert District 1: Benewah Commissioner

Justin McCleod District 2: Lewis Commissioner Donavan Harrington District 5: Bingham Assessor

Shayne Young District 6: Jefferson Commissioner Tracie Lloyd IACT: Canyon Treasurer

IPAA:



Brian Stender District 3: Canyon Assessor

Ben Crouch District 4: Jerome Commissioner Brad Wills IACA: Twin Falls Assessor

IACC:

Kim Keeley IACRC: Teton Clerk Andy Creech ISA: Payette Sheriff

ISACC:

John Crozier, Dayton Reed,