

## Intergovernmental Affairs Committee Minutes

September 25, 2023 | 9:30 am – 11:30 am  
Boise Centre | Boise, ID | 130

### MEETING AGENDA

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9:30 am Chair Jeff Hough (Bannock County Commissioner) called the meeting to order. Chair Hough welcomed the committee, presenter Keith Bybee, and ISTC employee George Brown. Brown introduced the new Idaho State Tax Commissioner, Paul Woods.

Commissioner Paul Woods shared appreciation to Governor Little for appointing him. He said he is a former county commissioner and looks forward to working with the counties.

*Commissioner Doug Zenner made a motion to approve the January 2023 meeting minutes. Twin Falls Commissioner Don Hall seconded the motion. Motion carried.*

9:35 am Budget and Policy Manager Keith Bybee gave a presentation on the Idaho budget outlook. He reviewed some economic indicators, reviewed the general fund budget, and shared where the legislature has made significant investments over the past few years. Boise has an average five percent higher cost of living, and we lag behind the rest of the country by about \$6000 in annual income.

Total jobs in Idaho have been flat, if not decreasing, over the past 18 months. That could mean some big storm clouds over Idaho for a while. Housing starts reached a three-year low at the end of 2022.

General fund revenue going into 2024 is expected to dip lower than 2023 revenues. The legislature addressed economic growth with tax cuts. This will result in \$900 Million in ongoing tax cuts. This includes the 4.5% of general revenues now going into ongoing property tax relief.

Transportation has received significant investments at state and local levels, including access to general funds for the first time in state history. Public schools, Permanent

Building Fund, natural resources, and tax rebates have also received significant one-time investments as well as some ongoing investments.

There is a \$700M gap between estimated revenue and total appropriations.

10:05 am Nez Perce Commissioner Doug Zenner led a discussion about concerns regarding reverse mortgage lending practices for the elderly population. Commissioner Zenner recommended the BOCC pay close attention to the options available to help citizens struggling to pay their property taxes due to reverse mortgage payments.

10:20 am IAC 2024 IGA Legislative Resolutions

- IGA-01: Law Clerks, State Funding | *Doug Miller, Valley County Clerk & IACRC President* The bill sponsor was absent, so Idaho County Clerk Kathy Ackerman presented the resolution. The purpose is that IAC supports making law clerks state employees paid directly by the state. If it passes, the legislature may try to use this to draw down property taxes.  
*Wayne Schenk moved to approve. Tami Eberhard seconded the motion. Motion carried.*
- IGA-02: Inflation-Based Annual Property Tax Budget Cap (CPI Urban) |
- IGA-03: Inflation Based Annual Property Tax Budget Cap (Social Security COLA) | Wayne Schenk, Minidoka County Commissioner, presented both IGA-02 and IGA-03 simultaneously by comparing and contrasting each resolution. Alan Dornfest suggested to Wayne to use CPI-Urban because it is already used elsewhere in state code.

Custer Commissioner Steve Smith said there have been years when counties have had to use PILT to make up the difference in their state budget.

Valley Commissioner Sherry Maupin asked which resolution Wayne would prefer the committee pass. Wayne recommends going with IGA-02 due to Alan Dornfest's suggestion.

Nez Perce Commissioner Doug Zenner pointed out concerns with feasibility. Wayne Schenk pointed out that planting the seeds and considering the long game is important (like IAC has done with public defense). Wayne asked that IGA-03 be pulled from consideration.

*Custer Commissioner Steve Smith made a motion to approve IGA-02. Lincoln Assessor Linda Jones seconded the motion. Motion carried.*

- IGA-04: Public Works Contractor License Threshold Increase | *Ben Robertson, Boundary County Commissioner*, the sponsor, could not make it to the conference. Boundary Clerk Glenda Poston presented in his stead. The proposal is to increase the current threshold of \$50,000, which requires a public works license, to \$100,000.

Other commissioners weighed in supporting the idea.

*Idaho Commissioner Denis Duman made a motion to approve IGA-04 moving forward. Wayne Schenk seconded the motion. Motion carried.*

- IGA-05: Hospital Property Tax Exemption | Ada County Commissioner Rod Beck presented the argument supporting this resolution. He shared that Canyon County commissioners, Adams County, and Madison County Commissioners are also co-sponsors.

Commissioner Beck pointed out that these resolutions are supposed to be confidential, but someone shared them with the hospitals. The hospitals have been contacting commissioners with incorrect information and trying to persuade them not to support IGA-05.

Commissioner Beck gave a brief history of the changes made to this code. The Sunny Ridge Case is the gold standard for determining non-profit status. Commissioners used to have the authority to approve hospital exemptions when they were applied for. Currently, hospitals have to apply, but BOCC has no authority to deny applications of hospitals. This makes it a matter of fairness to bring hospitals into the same application process that other non-profits go through when applying for applications.

Rod yielded some time to co-sponsor Ada Commissioner Tom Dayley. He reminded us that if the county doesn't collect property taxes from one group, another has to pay more. They're trying to create equity in evaluation, removing the special hospital exemption to even the playing field with other non-profits. For example, if you have a church with a daycare, then they adjust the exemption. Want to have the same authority over hospitals.

Seth Grigg asked for clarification regarding whether this affects other types of hospitals (such as county hospitals). Rod Beck said this will not impact county hospitals (10) or district hospitals (9).

Tom Dayley shared what each standard of the Sunny Ridge Case is used to determine the property exemption qualifications for other types of 501c-3 corporations.

*Denis Duman made a motion to move IGA-05 forward. Steve Smith seconded. Motion passed.*

- IGA-06: Local Government Travel & Convention Tax (2%) | Cindy Riegel, Teton County Commissioner, presented that this is a repeat from last year. Data that breaks down how this bill would impact every county is included. She shared that the state of Idaho promotes the Grand Targhee Ski Resort as part of Ski Idaho, but the resort is actually in Wyoming. Teton County, Idaho, receives all tourism impacts but cannot collect any revenue.

The state uses a 2% lodging and convention tax to promote tourism. If they add another 2% it would allow counties to mitigate the impacts.

*Don Hall made a motion to support moving IGA-06 forward. Commissioner Sherry Maupin seconded the motion. Motion carried.*

- IGA-07: Area of Impact Agreement | Mark Bair, Bingham County Commissioner, proposed that IAC support updating the Area of Impact statutes in keeping with the proposal that Senator Todd Lakey tried to run last year. It requires counties and cities to sit down and come to an agreement on the impact.

*Brian Stender made a motion to approve moving IGA-07 forward. Donovan Harrington seconded. Motion carried.*

11:30 am Adjourn

## Intergovernmental Affairs Committee

### MEMBERSHIP

#### CHAIR

Jeff Hough  
Bannock Commissioner

#### VICE-CHAIR

Patty Weeks  
Nez Perce Clerk

Tom Dayley <i>Ada Commissioner</i>	Amber Sloan <i>Elmore Treasurer</i>	Kim Muir <i>Madison Clerk</i>
Richard Riffle	Carol Blanchard	Brent Mendenhall

<i>Ada Coroner</i>	<i>Fremont Assessor</i>	<i>Madison Commissioner</i>
Elizabeth Mahn <i>Ada Treasurer</i>	Abbie Mace <i>Fremont Clerk</i>	Janice West <i>Minidoka Assessor</i>
Sherry Ward <i>Adams Clerk</i>	Blair Dance <i>Fremont Commissioner</i>	Wayne Schenk <i>Minidoka Commissioner</i>
Jason Dixon <i>Bannock Clerk</i>	Scott Kamachi <i>Fremont Commissioner</i>	Jared Orton <i>Minidoka Commissioner</i>
Jannelle Sparks Jensen <i>Bear Lake Assessor</i>	Hollie Ann Strang <i>Gem Assessor</i>	Dan Anderson <i>Nez Perce Assessor</i>
Tricia Poulsen <i>Bear Lake Treasurer</i>	Justin Baldwin <i>Gooding Assessor</i>	Doug Zenner <i>Nez Perce Commissioner</i>
Mark Reynolds <i>Benedict Commissioner</i>	Denise Gill <i>Gooding Clerk</i>	Kathleen Atkinson <i>Oneida Assessor</i>
Donavan Harrington <i>Bingham Assessor</i>	Susan Bolton <i>Gooding Commissioner</i>	Lon Colton <i>Oneida Clerk</i>
Mark Bair <i>Bingham Commissioner</i>	Christina "Tine" Wines <i>Gooding Treasurer</i>	Bill Lewis <i>Oneida Commissioner</i>
Jim Williams <i>Blaine Assessor</i>	Kim Nuxoll <i>Idaho Assessor</i>	Brian Jeppsen <i>Oneida Commissioner</i>
Stephen McDougall Graham <i>Blaine Clerk</i>	Kathy Ackerman <i>Idaho Clerk</i>	Annette Dygert <i>Owyhee Treasurer</i>
Muffy Davis <i>Blaine Commissioner</i>	Skip Brandt <i>Idaho Commissioner</i>	Sharee Sprague <i>Power Clerk</i>
John David Davidson <i>Blaine Treasurer</i>	Denis Duman <i>Idaho Commissioner</i>	Deanna Curry <i>Power Treasurer</i>
Asia Williams <i>Bonner Commissioner</i>	Colleen Poole <i>Jefferson Clerk</i>	Tamie Eberhard <i>Shoshone Clerk</i>
Penny Manning <i>Bonneville Clerk</i>	Ben Crouch <i>Jerome Commissioner</i>	Jerry White <i>Shoshone Assessor</i>
Bryon Reed <i>Bonneville Commissioner</i>	Bruce Mattare <i>Kootenai Commissioner</i>	Karey Eddy <i>Shoshone Treasurer</i>
Olivia Drake <i>Boundary Assessor</i>	David Sutherland <i>Latah Assessor</i>	Kim Keeley <i>Teton Clerk</i>
Glenda Poston <i>Boundary Clerk</i>	Kathie LaFortune <i>Latah Commissioner</i>	Havala Arnold <i>Teton Assessor</i>
Steve Stephens <i>Butte Prosecutor</i>	Jenny Rosin <i>Lembi Assessor</i>	Cindy Riegel <i>Teton Commissioner</i>
Brian Stender <i>Canyon Assessor</i>	Brenda Armstrong <i>Lembi Clerk</i>	Brad Wills <i>Twin Falls Assessor</i>
Tracie Lloyd <i>Canyon Treasurer</i>	Leah Madsen <i>Lembi Commissioner</i>	Don Hall <i>Twin Falls Commissioner</i>
Joseph Larsen <i>Cassia Clerk</i>	Greg Johnson <i>Lewis Commissioner</i>	Sherry Maupin <i>Valley Commissioner</i>
Jacqueline Bruno	Linda Jones	Scott Carver

<i>Custer Assessor</i>	<i>Lincoln Assessor</i>	<i>Valley Coroner</i>
Lura Baker <i>Custer Clerk</i>	Cindi Sievers <i>Lincoln Clerk</i>	Lyndon Haines <i>Washington Commissioner</i>
Wayne Butts <i>Custer Commissioner</i>	Joann Rutler <i>Lincoln Commissioner</i>	Donna Atwood <i>Washington Clerk</i>
Steve Smith <i>Custer Commissioner</i>	Rebecca Wood <i>Lincoln Commissioner</i>	Sabrina Young <i>Washington Treasurer</i>
Josh Dison <i>Elmore Assessor</i>	Ann Youts <i>Lincoln Treasurer</i>	