

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 353

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO TAXING DISTRICT BUDGETS; AMENDING SECTION 63-802, IDAHO CODE,  
2 TO REVISE PROVISIONS REGARDING THE LIMITATION ON BUDGET REQUESTS FOR  
3 TAXING DISTRICTS AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION  
4 34-439A, IDAHO CODE, TO PROVIDE CORRECT CODE REFERENCES; AMENDING SEC-  
5 TION 63-802A, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; AMENDING  
6 SECTION 63-3638, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE AND TO  
7 MAKE TECHNICAL CORRECTIONS; AND AMENDING SECTION 67-450E, IDAHO CODE,  
8 TO PROVIDE A CORRECT CODE REFERENCE AND TO MAKE A TECHNICAL CORRECTION.  
9

10 Be It Enacted by the Legislature of the State of Idaho:

11 SECTION 1. That Section 63-802, Idaho Code, be, and the same is hereby  
12 amended to read as follows:

13 63-802. LIMITATION ON BUDGET REQUESTS -- LIMITATION ON TAX CHARGES --  
14 EXCEPTIONS. (1) Except as provided in subsections ~~(3) and (4)~~ (2) through  
15 (8) of this section, no taxing district shall certify a budget request for  
16 an amount of property tax revenues to finance an annual budget that exceeds  
17 the ~~greater~~ greatest of paragraphs ~~(a) through (k)~~ of this subsection, ~~in-~~  
18 ~~clusive:~~

19 (a) The dollar amount of property taxes certified for its annual bud-  
20 get for any one (1) of the three (3) tax years preceding the current tax  
21 year, whichever is greater, ~~for the past tax year~~, which amount may be  
22 increased by a growth factor of not to exceed three percent (3%) ~~plus~~  
23 including the amount of revenue calculated as described in this subsec-  
24 tion. Multiply the levy of the previous year, not including any levy de-  
25 scribed in subsection (4) of this section, or any school district levy  
26 reduction resulting from a distribution of state funds pursuant to sec-  
27 tion 63-3638(11) or (13), Idaho Code, by the value shown on the new con-  
28 struction roll compiled pursuant to section 63-301A, Idaho Code; and by  
29 the value of annexation during the previous calendar year, as certified  
30 by the state tax commission for market values of operating property of  
31 public utilities and by the county assessor; or

32 (b) The dollar amount of property taxes certified for its annual budget  
33 during the last year in which a levy was made; or

34 (c) The dollar amount of the actual budget request, if the taxing dis-  
35 trict is newly created, except as may be provided in paragraph ~~(f)~~ of  
36 this subsection; or

37 (d) In the case of school districts, the restriction imposed in section  
38 33-802, Idaho Code; or

39 (e) ~~In the case of a nonschool district for which less than the maximum~~  
40 ~~allowable increase in the dollar amount of property taxes is certified~~  
41 ~~for annual budget purposes in any one (1) year, such a district may,~~  
42 ~~in any following year, recover the forgone increase by certifying, in~~

1 addition to any increase otherwise allowed, an amount not to exceed one  
2 hundred percent (100%) of the increase originally forgone. Provided  
3 however, that prior to budgeting any forgone increase, the district  
4 must provide notice of its intent to do so, hold a public hearing, which  
5 may be in conjunction with its annual budget hearing, and certify by  
6 resolution the amount of forgone increase to be budgeted and the spe-  
7 cific purpose for which the forgone increase is being budgeted. Upon  
8 adoption of the resolution, the clerk of the district shall file a copy  
9 of the resolution with the county clerk and the state tax commission.  
10 Said additional amount shall be included in future calculations for  
11 increases as allowed;

12 (f) If a taxing district elects to budget less than the maximum allow-  
13 able increase in the dollar amount of property taxes, the taxing dis-  
14 trict may disclaim the right to recover all or any portion of that year's  
15 forgone increase by adoption of a resolution declaring the same. The  
16 district must provide notice of its intent to do so and hold a public  
17 hearing, which may be in conjunction with its annual budget hearing if  
18 applicable. The resolution to disclaim the right to recover the for-  
19 gone increase for that year shall be adopted at the annual budget hear-  
20 ing of the taxing district if the district has a budget hearing require-  
21 ment; provided however, that the resolution shall not apply to forgone  
22 increases from prior budget years;

23 (g) In the case of cities, if the immediately preceding year's levy  
24 subject to the limitation provided by this section is less than 0.004,  
25 the city may increase its budget by an amount not to exceed the differ-  
26 ence between 0.004 and actual prior year's levy multiplied by the prior  
27 year's market value for assessment purposes. The additional amount  
28 must be approved by sixty percent (60%) of the voters voting on the ques-  
29 tion at an election called for that purpose and held on the date in May or  
30 November provided by law, and may be included in the annual budget of the  
31 city for purposes of this section; or

32 (h) A taxing district may submit to the electors within the district  
33 the question of whether the budget from property tax revenues may be  
34 increased beyond the amount authorized in this section, but not beyond  
35 the levy authorized by statute. The additional amount must be approved  
36 by sixty-six and two-thirds percent (66 2/3%) or more of the voters  
37 voting on the question at an election called for that purpose and held  
38 on the May or November dates provided by section 34-106, Idaho Code.  
39 If approved by the required minimum sixty-six and two-thirds percent  
40 (66 2/3%) of the voters voting at the election, the new budget amount  
41 shall be the base budget for the purposes of this section;

42 (i) When a nonschool district consolidates with another nonschool  
43 district or dissolves and a new district performing similar governmen-  
44 tal functions as the dissolved district forms with the same boundaries  
45 within three (3) years, the maximum amount of a budget of the district  
46 from property tax revenues shall not be greater than the sum of the  
47 amounts that would have been authorized by this section for the district  
48 itself or for the districts that were consolidated or dissolved and in-  
49 corporated into a new district; or

1           (jg) In the instance or case of cooperative service agencies, the re-  
2           strictions imposed in sections 33-315 through 33-318, Idaho Code; or  
3           (kh) The amount of money received in the twelve (12) months immediately  
4           preceding June 30 of the current tax year as a result of distributions of  
5           the tax provided in section 63-3502B(2), Idaho Code.

6           (2) In the case of fire districts, during the year immediately follow-  
7           ing the election of a public utility or public utilities to consent to be pro-  
8           vided fire protection pursuant to section 31-1425, Idaho Code, the maximum  
9           amount of property tax revenues permitted in subsection (1) of this section  
10          may be increased by an amount equal to the current year's taxable value of the  
11          consenting public utility or public utilities multiplied by that portion of  
12          the prior year's levy subject to the limitation provided by subsection (1) of  
13          this section.

14          (3) No board of county commissioners shall set a levy, nor shall the  
15          state tax commission approve a levy for annual budget purposes, which ex-  
16          ceeds the limitation imposed in subsection (1) of this section unless au-  
17          thority to exceed such limitation has been approved by a majority of the tax-  
18          ing district's electors voting on the question at an election called for that  
19          purpose and held pursuant to section 34-106, Idaho Code, provided however,  
20          that such voter approval shall be for a period of not to exceed two (2) years.

21          (4) The amount of property tax revenues to finance an annual budget does  
22          not include revenues from nonproperty tax sources, and does not include rev-  
23          enue from levies for the payment of judicially confirmed obligations pur-  
24          suant to sections 63-1315 and 63-1316, Idaho Code, and revenue from levies  
25          that are voter-approved for bonds, override levies or supplemental levies,  
26          plant facilities reserve fund levies, school emergency fund levies or for  
27          levies applicable to newly annexed property or for levies applicable to new  
28          construction as evidenced by the value of property subject to the occupancy  
29          tax pursuant to section 63-317, Idaho Code, for the preceding tax year. The  
30          amount of property tax revenues to finance an annual budget does not include  
31          any property taxes that were collected and refunded on property that is ex-  
32          empt from taxation, pursuant to section 63-1305C, Idaho Code.

33          (5) The amount of property tax revenues to finance an annual budget  
34          shall include moneys received as recovery of property tax for a revoked pro-  
35          visional property tax exemption under section 63-1305C, Idaho Code.

36          (6) In the case of a nonschool district for which less than the maxi-  
37          imum allowable increase in the dollar amount of property taxes is certified  
38          for annual budget purposes in any one (1) year prior to the year 2020, such  
39          a district may in any following year recover the forgone increase by certi-  
40          fying, in addition to any increase otherwise allowed, an amount not to ex-  
41          ceed one hundred percent (100%) of the increase originally forgone. Pro-  
42          vided, however, that prior to budgeting any forgone increase, the district  
43          must provide notice of its intent to do so, hold a public hearing, which may  
44          be in conjunction with its annual budget hearing, and certify by resolution  
45          the amount of forgone increase to be budgeted and the specific purpose for  
46          which the forgone increase is being budgeted. Upon adoption of the resolu-  
47          tion, the clerk of the district shall file a copy of the resolution with the  
48          county clerk and the state tax commission. Said additional amount shall be  
49          included in future calculations for increases as allowed.

1       (7) If a taxing district elects to budget less than the maximum allow-  
 2 able increase in the dollar amount of property taxes, the taxing district  
 3 may disclaim the right to recover all or any portion of that year's forgone  
 4 increase by adoption of a resolution declaring the same. The district must  
 5 provide notice of its intent to do so and hold a public hearing, which may  
 6 be in conjunction with its annual budget hearing if applicable. The reso-  
 7 lution to disclaim the right to recover the forgone increase for that year  
 8 shall be adopted at the annual budget hearing of the taxing district if the  
 9 district has a budget hearing requirement; provided, however, that the reso-  
 10 lution shall not apply to forgone increases from prior budget years.

11       (8) A taxing district may submit to the electors within the district the  
 12 question of whether the budget from property tax revenues may be increased  
 13 beyond the amounts otherwise authorized in this section, but not beyond the  
 14 levy authorized by statute. The additional amount must be approved by sixty-  
 15 six and two-thirds percent (66 2/3%) or more of the voters voting on the ques-  
 16 tion at an election called for that purpose and held on the May or November  
 17 dates provided by section 34-106, Idaho Code. If approved by the required  
 18 minimum sixty-six and two-thirds percent (66 2/3%) of the voters voting at  
 19 the election, the new budget amount shall be the base budget for the purposes  
 20 of this section.

21       SECTION 2. That Section 34-439A, Idaho Code, be, and the same is hereby  
 22 amended to read as follows:

23       34-439A. DISCLOSURES IN ELECTIONS TO AUTHORIZE LEVY. (1) Notwith-  
 24 standing any other provision of law except for the provisions of section  
 25 63-802(1) (~~ge~~), Idaho Code, any taxing district that proposes to submit any  
 26 question to the electors of the district that would authorize any levy,  
 27 except for the levies authorized for the purposes provided in sections  
 28 63-802(1) (~~ge~~) and 33-802(4), Idaho Code, and except for levies relating to  
 29 bonded indebtedness where section 34-439, Idaho Code, applies, shall in-  
 30 clude in the ballot question, or in a brief official statement on the ballot  
 31 but separate from the ballot question, a disclosure setting forth in simple,  
 32 understandable language information on the proposal substantially as fol-  
 33 lows:

34       (a) The purpose for which the levy shall be used; the date of the elec-  
 35 tion; and the dollar amount estimated to be collected each year from the  
 36 levy;

37       (b) The estimated average annual cost to the taxpayer of the pro-  
 38 posed levy, in the form of "A tax of \$ per one hundred thousand dollars  
 39 (\$100,000) of taxable assessed value, per year, based on current con-  
 40 ditions." The dollar amount shall be calculated by multiplying the  
 41 expected levy rate by one hundred thousand dollars (\$100,000); and

42       (c) The length of time, reflected in months or years, in which the pro-  
 43 posed levy will be assessed.

44       (2) The information called for in subsection (1) of this section shall  
 45 be placed prior to the location on the ballot where a person casts a vote and  
 46 shall also be included in like manner in the official notice of the election.

47       SECTION 3. That Section 63-802A, Idaho Code, be, and the same is hereby  
 48 amended to read as follows:

1           63-802A. NOTICE OF BUDGET HEARING. (1) Not later than April 30 of each  
2 year, each taxing district shall set and notify the county clerk of the date  
3 and location set for the budget hearing of the district. If no budget hearing  
4 is required by law, the county clerk shall be so notified.

5           (2) Beginning in 2003, a taxing district that fails to comply with sub-  
6 section (1) of this section shall be prohibited from including in its bud-  
7 get any budget increase otherwise permitted by either subsection (1) (a) or  
8 ~~(1)(e)~~ (6) of section 63-802, Idaho Code.

9           (3) If a taxing district wishes to change the time and location of such  
10 budget hearing as stated on the assessment notice, it shall publish such  
11 change of time and location in advance of such hearing as provided by law.

12           SECTION 4. That Section 63-3638, Idaho Code, be, and the same is hereby  
13 amended to read as follows:

14           63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this  
15 chapter, except as may otherwise be required in sections 63-3203, 63-3620F,  
16 and 63-3709, Idaho Code, and except as provided in subsection (16) of this  
17 section, shall be distributed by the state tax commission as follows:

18           (1) An amount of money shall be distributed to the state refund account  
19 sufficient to pay current refund claims. All refunds authorized under this  
20 chapter by the state tax commission shall be paid through the state refund  
21 account, and those moneys are continuously appropriated.

22           (2) Five million dollars (\$5,000,000) per year is continuously appro-  
23 priated and shall be distributed to the permanent building fund, provided by  
24 section 57-1108, Idaho Code.

25           (3) Four million eight hundred thousand dollars (\$4,800,000) per year  
26 is continuously appropriated and shall be distributed to the water pollution  
27 control fund established by section 39-3628, Idaho Code.

28           (4) An amount equal to the sum required to be certified by the chair-  
29 man of the Idaho housing and finance association to the state tax commis-  
30 sion pursuant to section 67-6211, Idaho Code, in each year is continuously  
31 appropriated and shall be paid to any capital reserve fund established by  
32 the Idaho housing and finance association pursuant to section 67-6211, Idaho  
33 Code. Such amounts, if any, as may be appropriated hereunder to the capital  
34 reserve fund of the Idaho housing and finance association shall be repaid for  
35 distribution under the provisions of this section, subject to the provisions  
36 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-  
37 tion, as soon as possible, from any moneys available therefor and in excess  
38 of the amounts the association determines will keep it self-supporting.

39           (5) An amount equal to the sum required by the provisions of sections  
40 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated  
41 by section 63-718(3), Idaho Code, is continuously appropriated and shall be  
42 paid as provided by sections 63-709 and 63-717, Idaho Code.

43           (6) An amount required by the provisions of chapter 53, title 33, Idaho  
44 Code.

45           (7) An amount required by the provisions of chapter 87, title 67, Idaho  
46 Code.

47           (8) For fiscal year 2011 and each fiscal year thereafter, four million  
48 one hundred thousand dollars (\$4,100,000), of which two million two hundred  
49 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four

1 (44) counties in equal amounts and one million nine hundred thousand dol-  
2 lars (\$1,900,000) shall be distributed to the forty-four (44) counties in  
3 the proportion that the population of the county bears to the population of  
4 the state. For fiscal year 2012 and for each fiscal year thereafter, the  
5 amount distributed pursuant to this subsection shall be adjusted annually  
6 by the state tax commission in accordance with the consumer price index for  
7 all urban consumers (CPI-U) as published by the U.S. department of labor,  
8 bureau of labor statistics, but in no fiscal year shall the total amount  
9 allocated for counties under this subsection be less than four million one  
10 hundred thousand dollars (\$4,100,000). Any increase resulting from the ad-  
11 justment required in this section shall be distributed to each county in the  
12 proportion that the population of the county bears to the population of the  
13 state. Each county shall establish a special election fund to which shall  
14 be deposited all revenues received from the distribution pursuant to this  
15 subsection. All such revenues shall be used exclusively to defray the costs  
16 associated with conducting elections as required of county clerks by the  
17 provisions of section 34-1401, Idaho Code.

18 (9) One dollar (\$1.00) on each application for certificate of title  
19 or initial application for registration of a motor vehicle, snowmobile,  
20 all-terrain vehicle or other vehicle processed by the county assessor or the  
21 Idaho transportation department, excepting those applications in which any  
22 sales or use taxes due have been previously collected by a retailer, shall be  
23 a fee for the services of the assessor of the county or the Idaho transporta-  
24 tion department in collecting such taxes and shall be paid into the current  
25 expense fund of the county or state highway account established in section  
26 40-702, Idaho Code.

27 (10) Eleven and five-tenths percent (11.5%) is continuously appro-  
28 priated and shall be distributed to the revenue-sharing account, which is  
29 hereby created in the state treasury, and the moneys in the revenue-sharing  
30 account will be paid in installments each calendar quarter by the state tax  
31 commission as follows:

32 (a) Twenty-eight and two-tenths percent (28.2%) shall be paid to the  
33 various cities as follows:

34 (i) Fifty percent (50%) of such amount shall be paid to the vari-  
35 ous cities, and each city shall be entitled to an amount in the pro-  
36 portion that the population of that city bears to the population of  
37 all cities within the state; and

38 (ii) Fifty percent (50%) of such amount shall be paid to the vari-  
39 ous cities, and each city shall be entitled to an amount in the pro-  
40 portion that the preceding year's market value for assessment pur-  
41 poses for that city bears to the preceding year's market value for  
42 assessment purposes for all cities within the state.

43 (b) Twenty-eight and two-tenths percent (28.2%) shall be paid to the  
44 various counties as follows:

45 (i) One million three hundred twenty thousand dollars  
46 (\$1,320,000) annually shall be distributed one forty-fourth  
47 (1/44) to each of the various counties; and

48 (ii) The balance of such amount shall be paid to the various coun-  
49 ties, and each county shall be entitled to an amount in the propor-

1           tion that the population of that county bears to the population of  
2           the state;

3           (c) Thirty-five and nine-tenths percent (35.9%) of the amount appro-  
4           priated in this subsection shall be paid to the several counties for  
5           distribution to the cities and counties as follows:

6           (i) Each city and county ~~which that~~ received a payment under the  
7           provisions of section 63-3638(e), Idaho Code, during the fourth  
8           quarter of calendar year 1999~~7~~, shall be entitled to a like amount  
9           during succeeding calendar quarters.

10          (ii) If the dollar amount of money available under this subsection  
11          (10) (c) in any quarter does not equal the amount paid in the fourth  
12          quarter of calendar year 1999, each city's and county's payment  
13          shall be reduced proportionately.

14          (iii) If the dollar amount of money available under this subsec-  
15          tion (10) (c) in any quarter exceeds the amount paid in the fourth  
16          quarter of calendar year 1999, each city and county shall be en-  
17          titled to a proportionately increased payment, but such increase  
18          shall not exceed one hundred five percent (105%) of the total pay-  
19          ment made in the fourth quarter of calendar year 1999.

20          (iv) If the dollar amount of money available under this subsection  
21          (10) (c) in any quarter exceeds one hundred five percent (105%) of  
22          the total payment made in the fourth quarter of calendar year 1999,  
23          any amount over and above such one hundred five percent (105%)  
24          shall be paid fifty percent (50%) to the various cities in the pro-  
25          portion that the population of the city bears to the population of  
26          all cities within the state and fifty percent (50%) to the various  
27          counties in the proportion that the population of the county bears  
28          to the population of the state; and

29          (d) Seven and seven-tenths percent (7.7%) of the amount appropriated in  
30          this subsection shall be paid to the several counties for distribution  
31          to special purpose taxing districts as follows:

32          (i) Each such district ~~which that~~ received a payment under the  
33          provisions of section 63-3638(e), Idaho Code, as such subsection  
34          existed immediately prior to July 1, 2000, during the fourth quar-  
35          ter of calendar year 1999~~7~~, shall be entitled to a like amount dur-  
36          ing succeeding calendar quarters.

37          (ii) If the dollar amount of money available under this subsec-  
38          tion (10) (d) in any quarter does not equal the amount paid in the  
39          fourth quarter of calendar year 1999, each special purpose taxing  
40          district's payment shall be reduced proportionately.

41          (iii) If the dollar amount of money available under this subsec-  
42          tion (10) (d) in any quarter exceeds the amount distributed under  
43          paragraph (i) of this subsection (10) (d), each special purpose  
44          taxing district shall be entitled to a share of the excess based on  
45          the proportion each such district's current property tax budget  
46          bears to the sum of the current property tax budgets of all such  
47          districts in the state. The state tax commission shall calculate  
48          district current property tax budgets to include any unrecovered  
49          forgone amounts as determined under section 63-802~~(1)(e)~~(6),  
50          Idaho Code. When a special purpose taxing district is situated in

1 more than one (1) county, the state tax commission shall determine  
2 the portion attributable to the special purpose taxing district  
3 from each county in which it is situated.

4 (iv) If special purpose taxing districts are consolidated, the  
5 resulting district is entitled to a base amount equal to the sum of  
6 the base amounts received in the last calendar quarter by each dis-  
7 trict prior to the consolidation.

8 (v) If a special purpose taxing district is dissolved or disin-  
9 corporated, the state tax commission shall continuously distrib-  
10 ute to the board of county commissioners an amount equal to the  
11 last quarter's distribution prior to dissolution or disincorpora-  
12 tion. The board of county commissioners shall determine any re-  
13 distribution of moneys so received.

14 (vi) Taxing districts formed after January 1, 2001, are not enti-  
15 tled to a payment under the provisions of this subsection (10) (d).

16 (vii) For purposes of this subsection (10) (d), a special purpose  
17 taxing district is any taxing district that is not a city, a county  
18 or a school district.

19 (11) Amounts calculated in accordance with section 2, chapter 356, laws  
20 of 2001, for annual distribution to counties and other taxing districts be-  
21 ginning in October 2001 for replacement of property tax on farm machinery and  
22 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool  
23 districts, the state tax commission shall distribute one-fourth (1/4) of  
24 this amount certified quarterly to each county. For school districts, the  
25 state tax commission shall distribute one-fourth (1/4) of the amount certi-  
26 fied quarterly to each school district. For nonschool districts, the county  
27 auditor shall distribute to each district within thirty (30) calendar days  
28 from receipt of moneys from the state tax commission. Moneys received by  
29 each taxing district for replacement shall be utilized in the same manner  
30 and in the same proportions as revenues from property taxation. The moneys  
31 remitted to the county treasurer for replacement of property exempt from  
32 taxation pursuant to section 63-602EE, Idaho Code, may be considered by the  
33 counties and other taxing districts and budgeted at the same time, in the  
34 same manner and in the same year as revenues from taxation on personal prop-  
35 erty which these moneys replace. If taxing districts are consolidated, the  
36 resulting district is entitled to an amount equal to the sum of the amounts  
37 received in the last calendar quarter by each district pursuant to this  
38 subsection prior to the consolidation. If a taxing district is dissolved  
39 or disincorporated, the state tax commission shall continuously distribute  
40 to the board of county commissioners an amount equal to the last quarter's  
41 distribution prior to dissolution or disincorporation. The board of county  
42 commissioners shall determine any redistribution of moneys so received. If  
43 a taxing district annexes territory, the distribution of moneys received  
44 pursuant to this subsection shall be unaffected. Taxing districts formed  
45 after January 1, 2001, are not entitled to a payment under the provisions  
46 of this subsection. School districts shall receive an amount determined by  
47 multiplying the sum of the year 2000 school district levy minus .004 times  
48 the market value on December 31, 2000, in the district of the property exempt  
49 from taxation pursuant to section 63-602EE, Idaho Code, provided that the  
50 result of these calculations shall not be less than zero (0). The result of



1 these school district calculations shall be further increased by six per-  
2 cent (6%). For purposes of the limitation provided by section 63-802, Idaho  
3 Code, moneys received pursuant to this section as property tax replacement  
4 for property exempt from taxation pursuant to section 63-602EE, Idaho Code,  
5 shall be treated as property tax revenues.

6 (12) Amounts necessary to pay refunds as provided in section 63-3641,  
7 Idaho Code, to a developer of a retail complex shall be remitted to the demon-  
8 stration pilot project fund created in section 63-3641, Idaho Code.

9 (13) Amounts calculated in accordance with subsection (4) of section  
10 63-602KK, Idaho Code, for annual distribution to counties and other taxing  
11 districts for replacement of property tax on personal property tax exemp-  
12 tions pursuant to subsection (2) of section 63-602KK, Idaho Code, which  
13 amounts are continuously appropriated unless the legislature enacts a dif-  
14 ferent appropriation for a particular fiscal year. For purposes of the  
15 limitation provided by section 63-802, Idaho Code, moneys received pursuant  
16 to this section as property tax replacement for property exempt from taxa-  
17 tion pursuant to section 63-602KK, Idaho Code, shall be treated as property  
18 tax revenues. If taxing districts are consolidated, the resulting district  
19 is entitled to an amount equal to the sum of the amounts that were received in  
20 the last calendar year by each district pursuant to this subsection prior to  
21 the consolidation. If a taxing district or revenue allocation area annexes  
22 territory, the distribution of moneys received pursuant to this subsection  
23 shall be unaffected. Taxing districts and revenue allocation areas formed  
24 after January 1, 2013, are not entitled to a payment under the provisions of  
25 this subsection.

26 (14) Amounts collected from purchasers and paid to the state of Idaho by  
27 retailers that are not engaged in business in this state and which retailer  
28 would not have been required to collect the sales tax, less amounts other-  
29 wise distributed in subsections (1) and (10) of this section, shall be dis-  
30 tributed to the tax relief fund created in section 57-811, Idaho Code. The  
31 state tax commission will determine the amounts to be distributed under this  
32 subsection.

33 (15) Any moneys remaining over and above those necessary to meet and  
34 reserve for payments under other subsections of this section shall be dis-  
35 tributed to the general fund.

36 (16) One percent (1%), but not less than fifteen million dollars  
37 (\$15,000,000), is continuously appropriated and shall be distributed to the  
38 transportation expansion and congestion mitigation fund established in sec-  
39 tion 40-720, Idaho Code. The distribution provided for in this subsection  
40 must immediately follow the distribution provided for in subsection (10) of  
41 this section.

42 SECTION 5. That Section 67-450E, Idaho Code, be, and the same is hereby  
43 amended to read as follows:

44 67-450E. LOCAL GOVERNING ENTITIES CENTRAL REGISTRY -- REPORTING IN-  
45 FORMATION REQUIRED -- PENALTIES FOR FAILURE TO REPORT. In addition to the  
46 provisions applicable to local governing entities found in section 67-450B,  
47 Idaho Code, the provisions of this section shall also apply to local govern-  
48 ing entities. For purposes of this section, "local governing entity" shall  
49 have the same meaning as provided in section 67-450B, Idaho Code. ~~The term~~

1 ~~Local~~ governing entity shall also include entities governed by chapter 20,  
2 title 50, Idaho Code. If a local governing entity is governed by the pro-  
3 visions of section 33-701, Idaho Code, such entity shall not be required to  
4 comply with the provisions of this section.

5 (1) (a) There is hereby established a central registry and reporting  
6 portal ("registry") on the legislative services office website. The  
7 registry and reporting portal shall serve as the unified location for  
8 the reporting of and access to administrative and financial information  
9 of local governing entities in this state. To establish a complete list  
10 of all local governmental entities operating in Idaho, on the effective  
11 date of this legislation and so that the registry established will be  
12 comprehensive, every existing local governing entity shall register  
13 with the state registry. For calendar year 2015, the submission of in-  
14 formation required by subsection (2) of this section shall occur prior  
15 to March 1, 2015, and shall be in the form and format required by the  
16 legislative services office. In addition to the information required  
17 by this section for the March 1, 2015, filing deadline, the entity shall  
18 report the date of its last independent audit. The registry listing  
19 will be available on the legislative services office website by January  
20 1, 2016.

21 (b) The county clerk shall notify each local governing entity of the re-  
22 quirements of this section.

23 (c) After March 1, 2015, and on or before December 1 of each year:

- 24 (i) The state tax commission shall submit a list to the legisla-  
25 tive services office of all taxing districts within the state; and  
26 (ii) The county clerk of each county shall submit a list to the  
27 legislative services office of all taxing districts in the county  
28 and any other local governing entities that are authorized to im-  
29 pose fees, assessments or receive property tax money within the  
30 county.

31 (2) On or before December 1 of each year, every local governing entity  
32 shall submit to the online central registry and reporting portal the follow-  
33 ing information:

34 (a) Administrative information:

- 35 (i) The terms of membership and appointing authority for the gov-  
36 erning board member of the local governmental entity;  
37 (ii) The official name, mailing address and electronic mailing  
38 address of the entity;  
39 (iii) The fiscal year of the entity;  
40 (iv) Except for cities and counties, the section of Idaho Code un-  
41 der which the entity was established, the date of establishment,  
42 the establishing entity and the statute or statutes under which  
43 the entity operates, if different from the statute or statutes un-  
44 der which the entity was established.

45 (b) Financial information:

- 46 (i) The most recent adopted budget of the entity; and  
47 (ii) An unaudited comparison of the budget to actual revenues and  
48 expenditures for the most recently completed fiscal year.

49 (c) Bonds or other debt obligation information:

1 (i) The cumulative dollar amount of all bonds or other debt obli-  
2 gations issued or incurred by the entity; and

3 (ii) The average length of term of all bond issuances or other debt  
4 obligations and the average interest rate of all bonds or other  
5 debt obligations.

6 (d) Within five (5) days of submitting to the central registry the in-  
7 formation required by this subsection, the local governing entity shall  
8 notify the entity's appointing authority, if the entity has an appoint-  
9 ing authority, that it has submitted such information.

10 (e) If any information provided by an entity as required by this subsec-  
11 tion changes during the year, the entity shall update its information on  
12 the registry within thirty (30) days of any such change.

13 (f) All reasonable fees, costs and other expenses incurred assisting  
14 local governing entities in compiling the reporting information re-  
15 quired by this section may be charged by the county against the local  
16 governing entity requesting the county's service. An entity may re-  
17 quest assistance from the county to comply with provisions of this sec-  
18 tion but the county is under no obligation to provide such assistance.  
19 For purposes of this section, reasonable fees and costs shall include,  
20 but not be limited to, the labor costs, material costs and copying costs  
21 incurred while assisting local governing entities to comply with this  
22 section. Such fees and costs may be deducted from any distributions  
23 of taxes, fees or assessments collected by the county on behalf of the  
24 local governing entity.

25 (3) Audits required by section 67-450B, Idaho Code, will be submitted  
26 to the online portal.

27 (4) Notification and penalties.

28 (a) If a local governing entity fails to submit information required by  
29 this section or submits noncompliant information required by this sec-  
30 tion, the legislative services office shall notify the entity immedi-  
31 ately after the due date of the information that either the information  
32 was not submitted in a timely manner or the information submitted was  
33 noncompliant. The local governing entity shall then have thirty (30)  
34 days from the date of notice to submit the information or notify the leg-  
35 islative services office that it will comply by a time certain.

36 (b) No later than September 1 of any year, the legislative services  
37 office shall notify the appropriate board of county commissioners and  
38 the state tax commission of the entity's failure to comply with the pro-  
39 visions of this section. Upon receipt of such notification, the board  
40 of county commissioners shall place a public notice in a newspaper of  
41 general circulation in the county indicating that the entity is non-  
42 compliant with the legal reporting requirements of this section. The  
43 county commissioners shall assess to the entity the cost of the public  
44 notice. Such costs may be deducted from any distributions of taxes,  
45 fees or assessments collected by the county on behalf of the local gov-  
46 erning entity. For any noncomplying entity, the legislative services  
47 office shall notify the board of county commissioners and the state tax  
48 commission of the compliance status of such entity by September 1 of  
49 each year until the entity is in compliance.

1 (c) A local governing entity that fails to comply with this section  
2 shall be prohibited from including in its budget any budget increase  
3 otherwise permitted by either subsection (1)(a) or (e~~6~~) of section  
4 63-802, Idaho Code.

5 (d) In addition to any other penalty provided in this section, in any  
6 failure to comply with this section, the state tax commission shall  
7 withhold the annual distribution of sales tax distribution pursuant  
8 to section 63-3638(10), Idaho Code, for any noncomplying entity. The  
9 state tax commission shall withhold and retain such money in a reserve  
10 account until the legislative services office certifies that the en-  
11 tity has complied with the provisions of this section, at which point  
12 the state tax commission shall pay any money owed to the local governing  
13 entity previously in violation of this section.

14 (e) For any local governing entity that is a non-taxing district, in-  
15 cluding entities established pursuant to title 50, Idaho Code, upon  
16 notification to the board of county commissioners from the legislative  
17 services office of noncompliance by such entity, the board of county  
18 commissioners shall convene to determine appropriate compliance mea-  
19 sures including, but not limited to, the following:

20 (i) Require a meeting of the board of county commissioners and the  
21 entity's governing body wherein the board of county commissioners  
22 shall require compliance of this section by the entity;

23 (ii) Assess a noncompliance fee on the noncomplying entity. Such  
24 fee shall not exceed five thousand dollars (\$5,000). Such fees and  
25 costs may be deducted from any distributions of taxes, fees or as-  
26 sessments collected by the county on behalf of the local governing  
27 entity. The amount of any such fee shall not be passed on to per-  
28 sons subject to the jurisdiction of the entity in the form of ad-  
29 justments to any fee or assessment imposed or collected by the en-  
30 tity. Any fee collected shall be deposited into the county's cur-  
31 rent expense fund;

32 (iii) Cause a special audit to be conducted on the entity at the  
33 cost of the entity.

34 (5) The provisions of this section shall have no impact or effect upon  
35 reporting requirements for local governing entities relating to the state  
36 tax commission.