

MINUTES  
**SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE**

**DATE:** Tuesday, February 01, 2022

**TIME:** 3:00 P.M.

**PLACE:** Room WW53

**MEMBERS PRESENT:** Chairman Rice, Vice Chairman Grow, Senators Lakey, Bayer, Ricks, Nye, and Semmelroth

**ABSENT/ EXCUSED:** Senator Vick and Senator Souza

**NOTE:** The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

**CONVENED:** 3:00 PM

**S 1241** **Relating to property taxes - Amends existing law to revise provisions regarding homes ineligible for the circuitbreaker program.** Senator Bayer presented **S 1241**. She stated that **H 389** last session amended Idaho Code §63-705 setting a maximum assessed value of a qualifying residence for the property tax reduction program, also known as the circuit breaker program, at 125 percent of the median assessed valuation of all homes in the county receiving a homestead exemption. **S 1241** would increase that amount to 200 percent of the median assessed valuation. As a result, more people would be eligible for the program. **Senator Bayer** explained that this would allow more senior citizens whose value of their homes had increased through no fault of their own to remain on the program which began in 1974.

**TESTIMONY:** **Josh Dyson**, representing the Idaho Association of County Assessors, stated that they support **S 1241**. They feel that this corrects issues resulting from lowering the threshold for eligibility for the circuit breaker program to 125 percent. He explained that in Elmore County the median home value used for this purpose in 2021 would have been \$225 thousand. 125 percent of that would have been \$283 thousand. Because of the rising home values, 30 out of 464 circuit breaker recipients in Elmore County would no longer qualify. Raising the maximum assessed value for qualifying for the circuit breaker program to 200 percent increases the median home value to \$453 thousand. This reduces those that no longer qualify down to three applicants. Less than .5 percent of current recipients would no longer qualify.

**Jerry White**, Shoshone County Assessor's office, stated that Shoshone County has 2,057 out of 12,500 residents that receive a homeowner's exemption. 91 of those would have been excluded under the 125 percent of median home valuation standard, 44 of whom were widows. He shared several personal stories of family members and others who have benefitted from the circuit breaker and are able to continue to live out their lives in their home. With the increase to 200 percent of median home value, only 8 homeowners would no longer qualify.

**Lupe Wissel**, state director for AARP expressed her support for **S 1241**. She shared that one of the priorities of AARP is affordable housing. The circuit breaker program help keep property taxes manageable and foster housing stability. Increasing the cap for the circuit breaker allows more seniors to benefit from this property tax relief.

**Mayor John Evans** of Garden City indicated that he was in favor of **S 1241** for

many of the reasons previously stated.

**Senator Bayer** concluded her remarks by reading a letter from Nampa Mayor Debbie Kling. Ms. Kling wrote that the fact that the assessed value of someone's home increased doesn't indicate that the person's ability to pay property taxes has increased. Ms. Kling further noted that the average qualified applicant for the circuit breaker program is an elderly couple or widow making below the poverty level of \$12,590.

**MOTION:** **Senator Lakey** moved to send **S 1241** to the floor with a **do pass** recommendation. **Senator Grow** seconded the motion. The motion to send **S 1241** to the floor with a **do pass** recommendation carried by **voice vote**.

**PASS THE GAVEL:** Chairman Rice explained that since he would be presenting S 1249, he was passing the gavel to Vice Chairman Grow.

**S 1249** **Taxing Districts - Amends existing law to revise provisions regarding taxing district budget limitations.** **Senator Rice** presented **S 1249**. He explained that in last year's **H 389** expiring urban renewal districts were not supposed to be subject to the 8 percent cap That increment was supposed to be returned to the budget at 80 percent. **Chairman Rice** further explained that page one of this bill clarifies that if the urban renewal district expires or if there is a deannexation from the urban renewal district or a plan modification that takes part of it out, that is not subject to the 8 percent cap on budget increases. Page 2 of the bill makes changes to the use of foregone permitted in **H 389**. This bill closes a loophole that would have allowed a district to not take the 3 percent, not take new construction, and take as much foregone as they want. He cited one district that had discussed doing this. This bill allows the use of foregone in addition to the 8 percent, but in a fashion that was contemplated.

**TESTIMONY:** **Mayor John Evans** of Garden City representing the Idaho Association of Cities indicated that his association supports this bill.

**MOTION:** **Senator Lakey** moved that **S 1249** be sent to the floor with a **do pass** recommendation. **Senator Nye** seconded the motion. The motion to send **S 1249** to the floor with a **do pass** recommendation carried by **voice vote**.

**ADJOURNMENT:** There being no further business at this time, **Vice Chairman Grow** adjourned the meeting at 3:23 pm.

---

Senator Rice  
Chair

---

Meg Lawless  
Secretary