

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 494

BY TRANSPORTATION AND DEFENSE COMMITTEE

AN ACT

1 RELATING TO TRANSPORTATION; AMENDING SECTION 40-701, IDAHO CODE, TO PROVIDE  
2 THAT CERTAIN MONEYS SHALL BE CREDITED TO THE HIGHWAY DISTRIBUTION AC-  
3 COUNT AND TO MAKE TECHNICAL CORRECTIONS; AND AMENDING SECTION 63-3638,  
4 IDAHO CODE, TO PROVIDE FOR DISTRIBUTION OF MONEYS TO THE GENERAL FUND  
5 AND TO PROVIDE FOR DISTRIBUTION OF MONEYS TO THE HIGHWAY DISTRIBUTION  
6 ACCOUNT.  
7

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

9 SECTION 1. That Section 40-701, Idaho Code, be, and the same is hereby  
10 amended to read as follows:

11 40-701. HIGHWAY DISTRIBUTION ACCOUNT -- APPORTIONMENT. (1) There is  
12 established in the state treasury an account known as the "Highway Distribu-  
13 tion Account," to which shall be credited:

14 (a) Moneys as provided by sections 63-2412(1)(f)4. and 63-2418(4),  
15 Idaho Code;

16 (b) All moneys collected by the department, their agents and vendors,  
17 and county assessors and sheriffs, under the provisions of title 49,  
18 Idaho Code, except as otherwise specifically provided for; ~~and~~

19 (c) One-sixth (1/6) of any moneys remaining over and above those neces-  
20 sary to meet and reserve for payments under section 63-3638(1) through  
21 (14), Idaho Code, in the fiscal year immediately following the fiscal  
22 year in which both of the following occur:

23 (i) State general fund revenue collections exceed two billion  
24 nine hundred nine million eight hundred forty-seven thousand  
25 seven hundred dollars (\$2,909,847,700); and

26 (ii) The state general fund appropriation for the educational  
27 support program as provided for in section 33-1002, Idaho Code,  
28 exceeds one billion four hundred eighteen million five hundred  
29 forty-two thousand seven hundred dollars (\$1,418,542,700); and

30 (d) All other moneys as may be provided by law.

31 (2) The highway distribution account shall be apportioned as follows:

32 (a) Thirty-eight percent (38%) to local units of government as provided  
33 in section 40-709, Idaho Code;

34 (b) Fifty-seven percent (57%) to the state highway account established  
35 in section 40-702, Idaho Code; and

36 (c) Five percent (5%) to the law enforcement ~~account~~ fund, established  
37 in section 67-2914, Idaho Code. The state controller shall cause the  
38 remittance of the moneys apportioned to local units of government not  
39 later than January 25, April 25, July 25 and October 25 of each year, and  
40 to the state highway account and the law enforcement ~~account~~ fund as the  
41 moneys become available to the highway distribution account.

1 (3) Interest earned on the investment of idle moneys in the highway dis-  
2 tribution account shall be paid to the highway distribution account.

3 (4) All idle moneys in the dedicated highway trust or asset accounts or  
4 subaccounts established from highway user revenues, reimbursements, fees or  
5 permits shall be invested by the state treasurer in the same manner as pro-  
6 vided under section 67-1210, Idaho Code, with respect to other surplus or  
7 idle moneys in the state treasury. Interest earned on the investments shall  
8 be returned to the various highway trust or asset accounts and subaccounts.

9 SECTION 2. That Section 63-3638, Idaho Code, be, and the same is hereby  
10 amended to read as follows:

11 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this  
12 chapter, except as may otherwise be required in sections 63-3203 and  
13 63-3709, Idaho Code, shall be distributed by the state tax commission as  
14 follows:

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

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

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

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

37 (5) An amount equal to the sum required by the provisions of sections  
38 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated  
39 by section 63-718(3), Idaho Code, is continuously appropriated and shall be  
40 paid as provided by sections 63-709 and 63-717, Idaho Code.

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

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

45 (8) For fiscal year 2011, and each fiscal year thereafter, four million  
46 one hundred thousand dollars (\$4,100,000), of which two million two hundred  
47 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four  
48 (44) counties in equal amounts, and one million nine hundred thousand dol-  
49 lars (\$1,900,000) of which shall be distributed to the forty-four (44) coun-

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

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

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

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

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

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

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

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

46 (ii) The balance of such amount shall be paid to the various coun-  
47 ties, and each county shall be entitled to an amount in the propor-  
48 tion that the population of that county bears to the population of  
49 the state;

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

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

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

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

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

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

30 (i) Each such district which received a payment under the provi-  
31 sions of section 63-3638 (e), Idaho Code, during the fourth quarter  
32 of calendar year 1999, shall be entitled to a like amount during  
33 succeeding calendar quarters.

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

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

1 (iv) If special purpose taxing districts are consolidated, the  
2 resulting district is entitled to a base amount equal to the sum of  
3 the base amounts which were received in the last calendar quarter  
4 by each district prior to the consolidation.

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

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

13 (vii) For purposes of this subsection (10) (d), a special purpose  
14 taxing district is any taxing district which is not a city, a  
15 county or a school district.

16 (11) Amounts calculated in accordance with section 2, chapter 356, laws  
17 of 2001, for annual distribution to counties and other taxing districts be-  
18 ginning in October 2001 for replacement of property tax on farm machinery and  
19 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool  
20 districts, the state tax commission shall distribute one-fourth (1/4) of  
21 this amount certified quarterly to each county. For school districts, the  
22 state tax commission shall distribute one-fourth (1/4) of the amount certi-  
23 fied quarterly to each school district. For nonschool districts, the county  
24 auditor shall distribute to each district within thirty (30) calendar days  
25 from receipt of moneys from the state tax commission. Moneys received by  
26 each taxing district for replacement shall be utilized in the same manner  
27 and in the same proportions as revenues from property taxation. The moneys  
28 remitted to the county treasurer for replacement of property exempt from  
29 taxation pursuant to section 63-602EE, Idaho Code, may be considered by the  
30 counties and other taxing districts and budgeted at the same time, in the  
31 same manner and in the same year as revenues from taxation on personal prop-  
32 erty which these moneys replace. If taxing districts are consolidated, the  
33 resulting district is entitled to an amount equal to the sum of the amounts  
34 which were received in the last calendar quarter by each district pursuant  
35 to this subsection prior to the consolidation. If a taxing district is  
36 dissolved or disincorporated, the state tax commission shall continuously  
37 distribute to the board of county commissioners an amount equal to the  
38 last quarter's distribution prior to dissolution or disincorporation. The  
39 board of county commissioners shall determine any redistribution of moneys  
40 so received. If a taxing district annexes territory, the distribution of  
41 moneys received pursuant to this subsection shall be unaffected. Taxing  
42 districts formed after January 1, 2001, are not entitled to a payment under  
43 the provisions of this subsection. School districts shall receive an amount  
44 determined by multiplying the sum of the year 2000 school district levy mi-  
45 nus .004 times the market value on December 31, 2000, in the district of the  
46 property exempt from taxation pursuant to section 63-602EE, Idaho Code, pro-  
47 vided that the result of these calculations shall not be less than zero (0).  
48 The result of these school district calculations shall be further increased  
49 by six percent (6%). For purposes of the limitation provided by section  
50 63-802, Idaho Code, moneys received pursuant to this section as property tax

1 replacement for property exempt from taxation pursuant to section 63-602EE,  
2 Idaho Code, shall be treated as property tax revenues.

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

6 (13) Amounts calculated in accordance with subsection (4) of section  
7 63-602KK, Idaho Code, for annual distribution to counties and other taxing  
8 districts for replacement of property tax on personal property tax exemp-  
9 tions pursuant to subsection (2) of section 63-602KK, Idaho Code, which  
10 amounts are continuously appropriated unless the legislature enacts a dif-  
11 ferent appropriation for a particular fiscal year. For purposes of the  
12 limitation provided by section 63-802, Idaho Code, moneys received pursuant  
13 to this section as property tax replacement for property exempt from taxa-  
14 tion pursuant to section 63-602KK, Idaho Code, shall be treated as property  
15 tax revenues.

16 (14) The amount of money distributed to the general fund in the first  
17 fiscal year after fiscal year 2014, in which the conditions in subsection  
18 (1)(c)(i) and (ii) of section 40-701, Idaho Code, are met, shall be dis-  
19 tributed to the general fund.

20 (15) Amounts calculated in accordance with the provisions of section  
21 40-701(1), Idaho Code, for distribution to the highway distribution ac-  
22 count.

23 (16) Any moneys remaining over and above those necessary to meet and  
24 reserve for payments under other subsections of this section shall be dis-  
25 tributed to the general fund.