

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 547

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO THE DISTRIBUTION OF CIGARETTE TAX MONEYS; AMENDING SECTION
2 40-718, IDAHO CODE, TO ESTABLISH PROVISIONS RELATING TO CERTAIN MONEYS
3 INCLUDED IN THE GARVEE DEBT SERVICE FUND; AMENDING SECTION 63-2506,
4 IDAHO CODE, TO REVISE PROVISIONS RELATING TO CERTAIN MONEYS SUBJECT TO
5 APPROPRIATION TO THE PUBLIC SCHOOL INCOME FUND AND THE DEPARTMENT OF
6 JUVENILE CORRECTIONS; AMENDING SECTION 63-2520, IDAHO CODE, TO REVISE
7 PROVISIONS RELATING TO THE DISTRIBUTION OF CERTAIN REVENUES AND TO MAKE
8 TECHNICAL CORRECTIONS; AND AMENDING SECTION 57-1702, IDAHO CODE, TO
9 REVISE A TERM.
10

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

12 SECTION 1. That Section 40-718, Idaho Code, be, and the same is hereby
13 amended to read as follows:

14 40-718. GARVEE FUNDS ESTABLISHED -- CAPITAL PROJECT FUND -- DEBT SER-
15 VICE FUND. (1) There is established in the state treasury a fund known as the
16 "GARVEE Capital Project Fund" which shall include:

17 (a) Any draw by the board of proceeds from the transportation bonds or
18 notes issued by the Idaho housing and finance association in accordance
19 with chapter 62, title 67, Idaho Code.

20 (b) Interest earned on the investment of idle moneys in the GARVEE capi-
21 tal project fund shall be paid to the GARVEE capital project fund.
22 Disbursements from this fund shall be made for projects in accordance with
23 chapter 3, title 40, Idaho Code. All moneys in the fund are hereby continu-
24 ously appropriated to the department.

25 (2) There is established in the state treasury a fund known as the
26 "GARVEE Debt Service Fund" for the purpose of paying the principal, interest
27 and other amounts required for transportation bonds or notes of the Idaho
28 housing and finance association in accordance with chapter 62, title 67,
29 Idaho Code. The fund shall include:

30 (a) Amounts transferred from the state highway account upon certifi-
31 cation by the Idaho housing and finance association to the state con-
32 troller, state treasurer and the board as necessary for payment of prin-
33 cipal, interest and other amounts required for transportation bonds or
34 notes.

35 (b) Amounts distributed pursuant to section 63-2520 (b) (5), Idaho Code.
36 Provided that such moneys distributed to the GARVEE debt service fund
37 pursuant to this paragraph shall be used in combination with the amounts
38 provided for in paragraph (a) of this subsection and shall be used for
39 payment of principal, interest and other amounts required for trans-
40 portation bonds or notes.

41 (c) Interest earned on the investment of idle moneys in the GARVEE debt
42 service fund shall be paid to the GARVEE debt service fund.

1 From moneys within this fund, there are hereby continuously appropriated
 2 such amounts as, from time to time, shall be certified by the Idaho housing
 3 and finance association to the state controller, state treasurer and the
 4 board as necessary for payment of principal, interest and other amounts
 5 required for transportation bonds or notes of the Idaho housing and finance
 6 association in accordance with chapter 62, title 67, Idaho Code, which
 7 amounts shall be paid over as directed by the association.

8 SECTION 2. That Section 63-2506, Idaho Code, be, and the same is hereby
 9 amended to read as follows:

10 63-2506. IMPOSITION OF TAX. (1) On and after July 1, 2005, a tax upon
 11 the purchase, storage, use, consumption, handling, distribution or whole-
 12 sale sale of cigarettes is hereby imposed at the rate of fifty-seven cents
 13 (57¢) per package of twenty (20) cigarettes, which tax shall be paid by the
 14 wholesaler, and collected by the state tax commission. ~~5.1746¢ of the tax~~
 15 ~~collected per package of twenty (20) cigarettes~~ Beginning July 1, 2014, and
 16 every year thereafter, of the tax collected pursuant to this subsection,
 17 three million three hundred fifteen thousand dollars (\$3,315,000) shall be
 18 subject to appropriation to the public school income fund to be utilized to
 19 facilitate and provide substance abuse programs in the public school system.
 20 ~~5.1746¢ of the tax collected per package of twenty (20) cigarettes~~ Beginning
 21 July 1, 2014, and every year thereafter, of the tax collected pursuant
 22 to this subsection, three million three hundred fifteen thousand dollars
 23 (\$3,315,000) shall be subject to appropriation to the department of juvenile
 24 corrections for distribution to the counties to be utilized for county juve-
 25 nile probation services.

26 (2) Appropriated funds shall be distributed quarterly to the counties
 27 based upon the percentage the population of the county bears to the popula-
 28 tion of the state as a whole.

29 (3) The remaining moneys collected and those moneys not appropriated
 30 under the provisions of this section shall be distributed as specified in
 31 section 63-2520, Idaho Code.

32 SECTION 3. That Section 63-2520, Idaho Code, be, and the same is hereby
 33 amended to read as follows:

34 63-2520. DISTRIBUTION OF MONEYS COLLECTED. Revenues received from the
 35 taxes imposed by this chapter, and any revenues received from licenses, per-
 36 mits, penalties, interest, or deficiency additions, shall be distributed by
 37 the state tax commission as follows:

38 (a) An amount of money shall be distributed to the state refund account
 39 sufficient to pay current refund claims. All refunds authorized under this
 40 chapter by the state tax commission shall be paid through the state refund
 41 account, and those moneys are continuously appropriated.

42 (b) On and after July 1, ~~2005~~ 2014, the balance remaining with the state
 43 treasurer after deducting the amount described in subsection (a) of this
 44 section shall be distributed as follows:

45 (1) ~~17.3% of such balance~~ Five million dollars (\$5,000,000) shall be
 46 distributed to the permanent building fund created by section 57-1108,
 47 Idaho Code.

1 ~~0.4% of such balance~~ One hundred twenty thousand dollars (\$120,000)
 2 shall be distributed to the central cancer registry fund and is subject
 3 to appropriation as provided for in chapter 35, title 67, Idaho Code.
 4 ~~The amount of money so distributed to the central cancer registry fund~~
 5 ~~shall not exceed the fiscal year's appropriation, and at such time as~~
 6 ~~the appropriation has been distributed to the central cancer registry~~
 7 ~~fund during any fiscal year, all such distributions in excess of the ap-~~
 8 ~~propriation shall be made instead to the general fund of the state of~~
 9 ~~Idaho.~~

10 ~~1% of such balance~~ Three hundred thousand dollars (\$300,000) shall
 11 be distributed to the cancer control ~~account~~ fund created by section
 12 57-1702, Idaho Code, and is subject to appropriation as provided for in
 13 chapter 35, title 67, Idaho Code. ~~Revenues received in the cancer con-~~
 14 ~~trol account shall be paid over to the state treasurer by the state tax~~
 15 ~~commission to be distributed as follows:~~

16 ~~(i) Such amounts as are appropriated for purposes specified in~~
 17 ~~section 57-1702, Idaho Code, shall be expended as appropriated;~~

18 ~~(ii) Any balance remaining in the cancer control account on June~~
 19 ~~30 of any fiscal year after the amounts withdrawn by appropriation~~
 20 ~~have been deducted, shall be reserved for transfer to the general~~
 21 ~~fund on July 1 and the state controller shall order such transfer.~~

22 (4) An amount equal to the annual general fund appropriation for
 23 bond levy equalization, less the amount distributed under section
 24 67-7434(21), Idaho Code, if applicable, pursuant to section 33-906,
 25 Idaho Code, shall be annually distributed to the general fund.

26 (5) All remaining moneys shall be distributed as follows: ~~For the fis-~~
 27 ~~cal year commencing July 1, 2005, and ending June 30, 2006, all moneys~~
 28 ~~shall be distributed to the economic recovery reserve fund created by~~
 29 ~~section 67-3520, Idaho Code. For fiscal years on and after July 1, 2006,~~
 30 ~~all moneys shall be distributed to the permanent building fund with~~
 31 ~~the moneys to be used for the repair, remodel and restoration of the~~
 32 ~~state capitol building and state facilities pertaining to the capitol~~
 33 ~~restoration until such time as the capitol restoration is adequately~~
 34 ~~funded as certified by the director of the department of administra-~~
 35 ~~tion. Thereafter, all remaining moneys shall be distributed in the~~
 36 ~~following priority order:~~

37 (i) Four million seven hundred thousand dollars (\$4,700,000) to
 38 be used for the purpose of paying the state match as required for
 39 federal funds committed to pay the annual scheduled GARVEE debt
 40 service until such time as the Idaho housing and finance associ-
 41 ation certifies that any such bonds or notes are adequately paid
 42 for, in accordance with chapter 62, title 67, Idaho Code;

43 (ii) Five million dollars (\$5,000,000) to the secondary aquifer
 44 planning, management and implementation fund as established
 45 in section 42-1780, Idaho Code. Such moneys shall be used for
 46 statewide aquifer stabilization; and

47 (iii) All remaining moneys following distributions pursuant to
 48 subparagraphs (i) and (ii) of this paragraph shall be distributed
 49 to the state highway account for the purpose of paying for the

1 maintenance and repair (and including purchase of rights-of-way)
2 of the state highway system.
3 ~~Thereafter all moneys shall be distributed to the economic recovery re-~~
4 ~~serve fund created by section 67-3520, Idaho Code.~~

5 SECTION 4. That Section 57-1702, Idaho Code, be, and the same is hereby
6 amended to read as follows:

7 57-1702. CANCER CONTROL ~~ACCOUNT~~ FUND. There shall be established in
8 the dedicated fund in the state treasury the cancer control ~~account~~ fund, to
9 which shall be credited the revenues derived from the tax distributed by sub-
10 section (b) (3) of section 63-2520, Idaho Code. All moneys now or hereafter
11 in the cancer control ~~account~~ fund, to the extent appropriated, are hereby
12 dedicated for the purpose of contracting for and obtaining the services to
13 promote cancer control for the citizens of Idaho, through research, educa-
14 tion, screening and treatment. The director of the department of health and
15 welfare is charged with the administration of moneys appropriated from the
16 ~~account~~ fund unless otherwise provided by law.