

MINUTES
HOUSE LOCAL GOVERNMENT COMMITTEE

DATE: Tuesday, February 24, 2015

TIME: 1:30 P.M.

PLACE: Room EW05

MEMBERS: Chairman Luker, Vice Chairman Sims, Representatives Barbieri, Perry, Clow, Horman, Malek, Collins, Cheatham, Loertscher, Redman, Kloc, McCrostie, Nye

**ABSENT/
EXCUSED:** None

GUESTS: Caitlin Rusche, Tony Poinelli, IAC; Donna Peterson, IACT

Chairman Luker called the meeting to order at 1:31 PM.

MOTION: **Rep. Horman** made a motion to approve the minutes of February 12, 2015.
Motion carried by voice vote.

MOTION: **Rep. Horman** made a motion to approve the minutes of February 16, 2015.
Motion carried by voice vote.

H 141: **Rep. Trujillo**, District 33, presented **H 141** which requires a property owner to receive notification within 30 days of delinquent property tax. As a taxpayer, the owner should be notified so they are aware of a delinquency caused by the lack of payment by the mortgage company.

In response to questions, **Rep. Trujillo** stated currently the Idaho counties handle delinquent taxes in different ways and there are no procedures to notify the property owner. The number of people with tax delinquency is not high thus a low fiscal impact is expected.

Rep. Trujillo said the 30 day notification period is suggested so the property owner is not accruing penalties. Some counties send tax delinquencies to the mortgage companies as well as the property owner and some counties only send this notification to the mortgage company. In the case where only the mortgage company has been notified, the property owner is not aware of the delinquency. Most mortgage companies adjust the property owners escrow payment to make up for the delinquency and the property owner may never be aware of any issue.

Rep. Trujillo said this legislation is meant to help taxpayers and will cause additional tracking and work on the part of the county. The Association of Counties is not opposed to this but have not endorsed it. There are not enough of the delinquencies to cause a huge fiscal burden. This bill is only to force the counties to send notifications when property owners are delinquent in taxes. Currently, penalties for delinquent taxes start to accrue after the second missed payment. The penalties accrue before the property owner is aware of the late payments. The solutions that have been brought forward from the counties are very costly.

Chairman Luker turned the gavel over to **Vice Chairman Sims**.

In response to questions **Tony Poinelli**, Executive Director of the Idaho Association of Cities, stated the tax delinquency starts to accrue on January 1st after the delinquency, but occasionally there is a lag time in the county that exceeds 30 days.

In response to questions, **Rep. Trujillo** stated the only required notification sent to the property owner is after a three year delinquency. When the notification is only sent to the mortgage company, the escrow balance is adjusted and the owner may never know they are delinquent. This bill is directed toward a mortgage company not paying tax, this is to protect the tax payer.

MOTION: **Rep. Malek** made a motion to **HOLD H 141** at the call of the chair. **Motion carried by voice vote.**

H 142: **Mr. Poinelli**, Executive Director of the Idaho Association of Cities, presented **H 142**. This legislation allows a Board or County Commissioners to appoint to the county planning and zoning commission a resident within a city's area of impact or an incorporated city when the Board is unable to obtain applicants from outside the area of impact and the incorporated city limits. If the Board must appoint residents from either a city's area of impact or incorporated limits, and the county has multiple cities, then appointments from such cities must be on a rotation basis.

In response to questions, **Mr. Poinelli** stated the statute regarding numbers of people sitting on the Board is existing. The rotating appointments aim to decrease favoritism of one area.

MOTION: **Rep. Redman** made a motion to send **H 142** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Redman** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:02 p.m.

Representative Luker
Chair

Erin Hutto
Secretary