

MINUTES  
**SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE**

**DATE:** Thursday, March 03, 2016

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

**PLACE:** Room WW53

**MEMBERS PRESENT:** Chairman Siddoway, Vice Chairman Guthrie, Senators McKenzie, Johnson, Rice, Vick, Bayer, Stennett and Burgoyne

**ABSENT/ EXCUSED:** None

**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:** **Chairman Siddoway** called the meeting of the Local Government and Taxation Committee (Committee) to order at 3:03 p.m. and asked the secretary to take a silent roll.

**MINUTES APPROVAL:** **Senator Burgoyne** moved to approve the Minutes of February 16, 2016. **Senator McKenzie** seconded the motion. The motion carried by **voice vote**.

**Senator Stennett** moved to approve the Minutes of February 18, 2016. **Senator Johnson** seconded the motion. The motion carried by **voice vote**.

**Senator Bayer** moved to approve the Minutes of February 23, 2016. **Senator Stennett** seconded the motion. The motion carried by **voice vote**.

**Chairman Siddoway** indicated that the Minutes of February 17, 2016, would be approved later in the meeting.

**S 1347** **Kelli Brassfield**, Idaho Association of Counties (IAC), presented **S 1347**. She stated that IAC worked with county treasurers, the Idaho State Treasurer's Office and Deputy Attorney General Julie Weaver to address the Committee's concerns and present amended language. The amended language allows counties to process excess proceeds if the parties of interest or owners of record are clearly known; if not clearly identified, excess proceeds are transferred to the Unclaimed Property Division of the State Treasurer's Office. **Ms. Brassfield** indicated that the amended language addresses the Committee's concerns regarding notification of excess proceeds. She also addressed how the Unclaimed Property Division is funded, explaining that funds that cannot be linked to a party of interest are used to support the Division; funds that are linked to a party of interest but remain unclaimed are transferred to an interest-bearing trust account. **Ms. Brassfield** outlined criteria for determining when claims will be transferred to the State Treasurer's Office and provided specific examples.

**MOTION:** **Senator McKenzie** moved that **S 1347** be referred to the 14th Order for amendment. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

**H 496**

**Seth Grigg**, Executive Director, Association of Idaho Cities (AIC), presented **H 496**, which provides a process for cities or cemetery maintenance districts to recover and resell unused cemetery lots. **Mr. Grigg** explained that current procedures for purchasing cemetery lots include reversionary language that dictates a timeframe for use of that lot. In the case of unused lots purchased decades ago, there is often uncertainty about whether the purchaser or heir intends to use the lot. **H 496** provides a way for cities or cemetery maintenance districts to process these lots if unused for more than 50 years. The owner of record or known heir(s) is contacted and given 60 days to provide notification of use; if notice cannot be served, the city or cemetery district must provide public notice for three consecutive weeks. If after 60 days the owner or heir fail to come forward, the lot may be reclaimed by the city or cemetery maintenance district. **Mr. Grigg** pointed out that if the owner of the plot comes forward after 60 days and the lot has been reused, they will be given the choice of another existing lot or financial compensation for the value of the lot.

**Chairman Siddoway** asked how many previous generations are permitted to reclaim a family lot. **Mr. Grigg** asked Aaron Seable, Legal Counsel for the City of Caldwell, to respond. **Mr. Seable** stated that under current law, two degrees of consanguinity are permitted. He reported that this legislation requires cities and cemetery maintenance districts to make a reasonable effort to search for heirs, and modern technology aids this endeavor. **Chairman Siddoway** inquired what would happen if a lot was subsequently sold to a different owner after all the steps were taken to locate the original owner or heir, and after a period of time the original owner sought to reclaim that lot. **Mr. Seable** explained that if the original lot has been resold, the individual may either request a different lot in the same cemetery or be financially compensated for the value of the lot.

**Senator Stennett** asked if cities are prepared for the possible financial impact of compensating families for their original lots. **Mr. Seable** stated the legislation only applies to lots unused for more than 50 years, and that funds for such compensation come from a city perpetual burial fund.

**Senator Burgoyne** asked if the city or cemetery maintenance district is required to reclaim unused lots, to which **Mr. Grigg** explained that this is a voluntary process for jurisdictions with limited space and resources that seek to fully utilize all of their space.

**MOTION:** **Senator McKenzie** moved to approve **H 496** with a **do pass** recommendation. **Senator Rice** seconded the motion. The motion carried by **voice vote**.

**MINUTES APPROVAL:** **Vice Chairman Guthrie** moved to approve the Minutes of February 17, 2016. **Senator Bayer** seconded the motion. The motion carried by **voice vote**.

**ADJOURNED:** There being no further business, **Chairman Siddoway** adjourned the meeting at 3:25 p.m.

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Senator Siddoway  
Chair

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Jennifer Carr  
Secretary