

REVISED

STATEMENT OF PURPOSE

RS30200 / H0079

The purpose of this legislation to provide immediate, ongoing, and permanent property tax relief. This is accomplished by providing \$300 million to school districts distributed based on average daily attendance. School districts are required to use funds in the order of priority as follows: (1) payment of school bonds (2) payment of school levies (3) payment of expenses necessary to provide for safe school facilities and address life, safety, and health issues (4) saved for future school facility construction needs. This bill eliminates 2 of the 4 election dates that districts can run elections. The bill also increases the homeowners exemption to \$150,000. The bill increases the limitations for individuals to qualify for the circuit breaker. The cities and counties obligation to fund public defense is eliminated and the funding source is permanently moved to an ongoing source of revenue.

FISCAL NOTE

FY 2024 transfers into the School Districts Facilities Fund: \$50M from the Public Schools Income Fund (Section 2) \$36.9M from Wayfair (Tax Relief Fund – Section 7) \$130M from Tax Rebate Fund (Section 11) \$85M from General fund Surplus (Section 14) Total \$301.9 Million PTax Relief. In FY 2025 and on: \$50 M from Public Schools Income Fund (Section 2) \$42M from Wayfair (Section 7) – this will grow over time \$122.6M from Sales Tax (Section 13) – this will grow over time \$215.6 M PTAX Relief. Other items to note... >\$1M General Fund reduction from increase to circuit breaker program; Homeowners exemption increased to \$150,000; Counties get an additional \$5 million from sales tax distributions; Cities get \$4 million; Public Defense Fund has an ongoing fund source.

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DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).