

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 729

BY WAYS AND MEANS COMMITTEE

AN ACT

1 RELATING TO HIGHWAYS AND BRIDGES; AMENDING SECTION 40-708, IDAHO CODE, TO
2 PROVIDE FOR THE HIGHWAY DISTRIBUTION ACCOUNT AND TO ADD A CERTAIN CER-
3 TIFICATION REQUIREMENT; AND DECLARING AN EMERGENCY AND PROVIDING AN EF-
4 FECTIVE DATE.
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6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Section 40-708, Idaho Code, be, and the same is hereby
8 amended to read as follows:

9 40-708. POLICY OF LEGISLATURE ON EXPENDITURES. (1) It is the declared
10 policy of the legislature that, except as otherwise provided, all highway-
11 user revenues accruing to the state highway account be spent exclusively for
12 the maintenance, construction and development of highways and bridges in the
13 state highway system. By mutual cooperative written agreements, or in the
14 event of emergencies or other unusual circumstances where the financial or
15 general welfare of the people is concerned, two (2) or more units of govern-
16 ment may, upon a showing of cause declared and entered upon the minutes of an
17 official meeting of the board, the boards of county, highway district com-
18 missioners or the governing body of any cities involved, as the case may be,
19 share jointly the costs of the maintenance, construction or development of
20 highways and bridges in any state, county, district or city system.

21 (2) It is further the declared policy of the legislature that, except as
22 otherwise provided, all highway-user revenues accruing to the ~~state~~ highway
23 distribution account and all ad valorem levies accruing pursuant to chapter
24 8, title 40, Idaho Code, shall be spent in support of the operations, admin-
25 istration, maintenance, construction, and development of bridges and high-
26 ways that benefit primarily motor vehicles in the local highway jurisdic-
27 tion. All moneys apportioned to the board, counties or highway districts,
28 and cities from the proceeds from the imposition of tax on fuels and from any
29 tax or fee for the registration or operation of motor vehicles for general
30 highway construction and maintenance, bridge and culvert moneys, shall be
31 accounted for as to the actual expenditure to the state controller, as ded-
32 icated funds by a certification of the governing unit receiving, budgeting
33 and expending those dedicated funds. The certification shall list the ac-
34 tual funds received for the budgetary period in each category of dedicated
35 funds and the actual expenditure of the used dedicated funds. Any balance
36 of dedicated funds unexpended must be shown and accounted for as a begin-
37 ning balance in the next regular budget. The certification shall be prepared
38 by the director, county auditor or highway district treasurer or city clerk
39 and shall be signed by the elected county or highway district commissioners,
40 mayor, council, or board members of the respective reporting governmental
41 unit. The certification shall certify that all highway user revenues and
42 ad valorem levies have been expended only to support the operations, admin-

1 istration, maintenance, construction, and development of bridges and high-
2 ways that benefit primarily motor vehicles in the local highway jurisdic-
3 tion. The certification shall be made by December 31 of each year for the
4 preceding fiscal budget year and shall be published once as a legal notice
5 between January 1 and January 15. Failure to make certification, failure
6 to publish or the making of false statements in the certification shall sub-
7 ject the person so doing to the penalties prescribed in section 40-207, Idaho
8 Code, or be used as the grounds for removal from office of the offending of-
9 ficials. The state controller is empowered to withhold the distribution of
10 funds for noncompliance with the provisions of this section, but upon com-
11 pliance shall authorize the distribution to be made.

12 (3) Moneys remaining unexpended in dedicated funds shall not be bud-
13 geted or expended for uses other than the limits of the dedicated fund.

14 (4) Highway districts may accumulate fund balances at the end of a fis-
15 cal year and carry over those fund balances into the ensuing fiscal year suf-
16 ficient to achieve or maintain highway district operations on a cash basis.
17 A fund balance is the excess of the assets of a fund over its liabilities and
18 reserves.

19 SECTION 2. An emergency existing therefor, which emergency is hereby
20 declared to exist, this act shall be in full force and effect on and after
21 July 1, 2024.