

STATEMENT OF PURPOSE

RS32291 / H0408

The proposed legislation aims to address Idaho's housing affordability crisis by incentivizing the development and availability of homes for middle-income households, defined as those earning up to 120% of the Area Median Income (AMI). By offering targeted state tax credits, the initiative seeks to promote sustainable home ownership opportunities and increase the supply of deed-restricted homes and community land trust properties, ensuring long-term affordability and equitable housing solutions for Idaho's working families. This legislation represents a proactive and balanced approach to addressing Idaho's housing affordability challenges while supporting local working families and strengthening communities.

FISCAL NOTE

Impact to State General Fund: The implementation of this legislation is expected to result in an estimated reduction in general fund revenue by approximately [\$5 million] annually due to the issuance of tax credits. This lost revenue estimate does not account for potential revenue gains from a stable workforce contributing income taxes and employers successfully filling job vacancies and completing work orders.

Impact to Other State Funds: No direct fiscal impact on other state funds has been identified.

Impact to Local Governments: The legislation is expected to positively impact local governments by promoting housing affordability, which can stabilize property values and reduce the need for public assistance programs related to housing.

Fiscal Timeline: The fiscal impact is anticipated to begin in FY 2026 and will remain consistent, contingent upon program participation rates and housing market trends.

Contact:

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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).