MINUTES

HOUSE REVENUE & TAXATION COMMITTEE

DATE: Tuesday, March 18, 2025

TIME: 9:00 A.M.

PLACE: Room EW42

MEMBERS: Chairman Cannon, Vice Chairman Weber (Weber), Representatives Shepherd, Cheatum (Phillips), Cornilles, Ehlers, Monks, Raymond, Andrus, Bruce, Hill (Hill), Raybould, Shirts, Gannon, Berch

ABSENT/ EXCUSED: Rep. Cornilles

GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of session the sign-in sheet will be filed with the minutes in the Legislative Library.

Chairman Cannon called the meeting to order at 9:00 AM.

MOTION: **Rep. Berch** made a motion to approve the minutes of March 13, 2025. **Motion carried by voice vote.**

MOTION: **Rep. Bruce** made a motion to approve the minutes of March 17, 2025. **Motion carried by voice vote.**

H 407: **Rep. Monks** presented **H 407,** which allows counties to have the option to create a Community Infrastructure District (CID) and allows CIDs to cover fire protection services. It would have a five-year limit, which would provide counties a short-term step to deal with growth.

Rep. Monks yielded to **Scott Turlington,** president of Tamarack Resort, who explained the history of the use of CIDs in cities and argued for the advantages of allowing the expansion of CIDs as a tool for counties as well. The taxes collected under CIDs could pay for off-site improvements, such as for adjoining highways, unlike Local Improvement Districts which are currently available to counties.

In response to questions from the committee, **Mr. Turlington** explained the CID tax begins with a negotiation between the developer and the local government, and CIDs are rarely created over existing homes. The five-year temporary assessment continues to follow the house over multiple buyers, if applicable. There is a mechanism to overlay a CID on an existing community, and city councils sometimes do so; it requires a 66% vote of the residents in order to come into effect. He also noted the five-year limit is only for fire and emergency services, largely to ease the transition into providing additional equipment and salaries. Other CIDs, covering things like water, sewer, and power, have 30-year limits, more like a traditional bond.

Ken Burgess, representing the Idaho Homebuilders Association, and **Corey Timinsky,** of the Idaho Fire Chiefs Association, testified **in support** of **H 407.**

The committee heard testimony from **Randy Rieken**, of Nampa, **in opposition** to **H 407.**

Rep. Monks explained the CID acts as a short-term bridge before property values rise and property tax income can cover emergency services in the CID. It also ensures homeowners in new builds will be the ones paying for new growth, rather than placing the burden on existing property owners.

In response to questions from the committee, **Rep. Monks** explained the CID works similarly to an impact fee, with the difference of being able to be charged over time rather than just once. He noted the bill does not change the nature of how the CID process works, it merely opens up the option to create a CID into some new circumstances. For existing homeowners, it is much easier for cities to run a standard bond rather than implement a CID, so this would nearly always cover new homes only.

MOTION: **Rep. Raybould** made a motion to send **H 407** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Reps. Shepherd, Andrus, and Bruce** requested to be recorded as voting **NAY. Rep. Ehlers** voted **AYE** but reserved the right to change his vote on the floor. **Rep. Monks** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 9:38 AM.

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Representative Cannon
Chair

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Cameron Douglas
Secretary