COUNCIL MEMBERS:

SHAWN BARIGAR	DON HALL *Vice Mayor*	SUZANNE HAWKINS	GREGORY LANTING *Mayor*	JIM MUNN, JR.	REBECCA MILLS SOJKA	CHRIS TALKINGTON

AGENDA
Meeting of the Twin Falls City Council
Thursday, December 19, 2013
City Council Chambers
305 3rd Avenue East -Twin Falls, Idaho

3:30 P.M.

PLEDGE OF ALLEGIANCE TO THE FLAG
CONFIRMATION OF QUORUM

	Purpose	By:
Attendees to include: • Members of the local Idaho Legislative Delegation • City of Twin Falls Council Members • City Staff Members Agenda		
3:30 P.M. Welcome and Introductions		
3:40 P.M. Roundtable discussion of possible upcoming issues of the 2014 Legislative Session o Discussion on the State of the City of Twin Falls Economy o Local Option Sales Tax – Sen. Chuck Winder Proposal o Personal Property Tax o State primacy over National Pollution Discharge Elimination System (NPDES) program. o Transportation Funding o Urban Renewal	Discussion	Led By City Staff Members with input from City Council Members
4:30 P.M. Discussion of local delegation's perspective.	Discussion	Members of the Local Delegation
4:45 P.M. Final thoughts.	Discussion	
5:00 P.M. Adjourn		

Any person(s) needing special accommodations to participate in the above noticed meeting could contact Leila Sanchez at (208) 735-7287 at least two working days before the meeting. Si desea esta información en español, llame Leila Sanchez (208)735-7287.

Twin Falls City Council-Public Hearing Procedures for Zoning Requests

1. Prior to opening the first Public Hearing of the session, the Mayor shall review the public hearing procedures.
2. Individuals wishing to testify or speak before the City Council shall wait to be recognized by the Mayor, approach the microphone/podium, state their name and address, then proceed with their comments. Following their statements, they shall write their name and address on the record sheet(s) provided by the City Clerk. The City Clerk shall make an audio recording of the Public Hearing.
3. The Applicant, or the spokesperson for the Applicant, will make a presentation on the application/request (request). No changes to the request may be made by the applicant after the publication of the Notice of Public Hearing. The presentation should include the following:
    - A complete explanation and description of the request.
    - Why the request is being made.
    - Location of the Property.
    - Impacts on the surrounding properties and efforts to mitigate those impacts.

   Applicant is limited to 15 minutes, unless a written request for additional time is received, at least 72 hours prior to the hearing, and granted by the Mayor.
4. A City Staff Report shall summarize the application and history of the request.
    - The City Council may ask questions of staff or the applicant pertaining to the request.
5. The general public will then be given the opportunity to provide their testimony regarding the request. The Mayor may limit public testimony to no less than two minutes per person.
    - Five or more individuals, having received personal public notice of the application under consideration, may select by written petition, a spokesperson. The written petition must be received at least 72 hours prior to the hearing and must be granted by the mayor. The spokesperson shall be limited to 15 minutes.
    - Written comments, including e-mail, shall be either read into the record or displayed to the public on the overhead projector.
    - Following the Public Testimony, the applicant is permitted five (5) minutes to respond to Public Testimony.

6. Following the Public Testimony and Applicant's response, the hearing shall continue. The City Council, as recognized by the Mayor, shall be allowed to question the Applicant, Staff or anyone who has testified. The Mayor may again establish time limits.
7. The Mayor shall close the Public Hearing. The City Council shall deliberate on the request. Deliberations and decisions shall be based upon the information and testimony provided during the Public Hearing. Once the Public Hearing is closed, additional testimony from the staff, applicant or public is not allowed. Legal or procedural questions may be directed to the City Attorney.

* Any person not conforming to the above rules may be prohibited from speaking. Persons refusing to comply with such prohibitions may be asked to leave the hearing and, thereafter removed from the room by order of the Mayor.

Summary of Local Option Tax Legislation Proposed by Sen. Chuck Winder

PAGE 1

63-4301

- Subsection (1) (a) Lines 11-16: Authorizes a county to levy a sales and use tax in a manner like the state wide sales and use tax is levied pursuant to statute. Limits the rate of the tax to not exceed 1%.
    - Lines 16-20: Before the tax may be imposed, a majority of the voters in the county must approve the tax. (Requires only a simple majority). Election shall be held at the next scheduled general election. If 2 or more counties jointly seek to implement such a tax, a majority of voters in **each** county must approve the tax.

- Subsection (1) (b) Lines 24 through 33: Tax applies only when the point of sale is within the legal boundary of the county. Provides effective date of the tax.

- Subsection (2) Lines 34-36: provides for the same tax exemptions as those provided for the state sales and use tax.

- Subsection (3)(a) Lines 37 through 41 and on page 2, Lines 1 through 13: Requires that any tax levied must be designated for a particular purpose. The county must identify the purpose of the tax when it is presented to the voters . Revenue from the tax shall be deposited in the general revenue fund of the county. Must be used on a "pay-as-you-go" basis—prohibits the use of tax revenue to pay for bonds or other debt.

PAGE 2

- Subsection 63-4301 (3)(b) Lines 14 through 28: Authorizes a "two-phased" tax, which includes a second phase, lower tax rate to fund on-going operations of the designated project.
- Lines 29 through 32 provide for specific duration of the tax and not to exceed 20 years from the date the tax is levied. Duration must be identified when the tax is presented to the voters.

63-4302

- On Page 2, Lines 33 through 49; and on page 3, lines 1 through 38 establish the same provisions as discussed above, except the provisions apply to cities.

PAGE 3

63-4303

- Lines 43 through 46, establishes provisions that conform with the state streamline sales tax, **but only** in the event the streamline sales tax is passed and approved by the Legislature. This section provides conformance in regard to local rate and boundary change provisions in the streamline sales tax.

63-4304

- On Page 3, Lines 47 and 48; and on Page 4, lines 1 through 8, provides language that authorizes and governs the repeal or reauthorization of the local option tax. Requires an election to repeal, change or reauthorize the tax and requires a majority to vote to do so.

PAGE 4

63-4305

- Lines 9 through 32, directs that any county or city levying a tax pursuant to this act shall contract with the State Tax Commission to administer and collect the tax levied. This code section provides for refunds, a fee paid to the State Tax Commission for its collection and administration of the tax and provides for the deposit of the tax revenue to the county or city levying the tax.

63-4306

- Lines 33 through 38, provides that no city may adopt or implement a tax pursuant to the act if the county in which the city's governing body is located has adopted the same tax. Provides that this code section **shall not apply** to any resort city tax authorized under the resort city tax statutes.

Section 2 of the bill provides a severability clause. If any section of the act is struck down by a court, the remainder of the act may still stand.

LEGISLATURE OF THE STATE OF IDAHO

Sixty-second Legislature Second Regular Session - 2014

AN ACT

RELATING TO TAXATION; AMENDING TITLE 63, IDAHO CODE, BY THE ADDITION OF A NEW CHAPTER 43, TITLE 63, IDAHO CODE, PROVIDING SEVERABILITY;

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Title 63, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW CHAPTER, to be known and designated as Chapter 43, Title 63, Idaho Code, and to read as follows:

CHAPTER 43
LOCAL GOVERNMENT NONPROPERTY TAX ACT

63-4301. COUNTY LOCAL-OPTION NONPROPERTY TAX - NOTICE OF RATE CHANGE - DURATION - VOTING AND ELECTION FOR LEVY. (1)(a) A county of this state may levy a sales tax and a use tax in a like manner as provided for by the provisions of Title 63, Chapter 36, Idaho Code. Such sales tax and use tax shall not exceed one percent (1%) and shall be imposed upon all items in the county upon which a sales and use tax is levied by this state pursuant to the provisions of title 63, chapter 36, Idaho Code. Before such tax may be levied by the county, the imposition of the tax shall first be approved by a majority of the qualified electors of the county voting thereon at an election called by the board of county commissioners. Such election shall be held at the next scheduled general election as provided for in section 34-101, Idaho Code. If two (2) or more counties jointly seek to levy a tax authorized pursuant to this section, the tax may be imposed only if a majority of the electors in each such county approve the tax.

(b) Any sales tax approved by the qualified electors of a county shall be applicable only when the point of sale is within the legal boundary of such county. Any sales and use tax levied or any change in the rate of such tax levied pursuant to the provisions of this section shall become effective on the first day of the calendar quarter following approval by the qualified electors of the county unless another effective date, which shall also be on the first day of a calendar quarter, is specified in the ordinance levying the tax or changing the rate of the tax. An election held pursuant to this section shall be held in a manner consistent with the provisions of Title 34, Idaho Code.

(2) Subject to the provisions of Title 63, Idaho Code, all items that are exempt from the state sales and use tax shall be exempt from any sales and use tax levied by a county pursuant to this section.

(3)(a) Any tax authorized by this section which may be levied by a county shall be designated for a particular purpose. Such purposes may include, but are not limited to, projects owned by the state, any agency or instrumentality thereof, the county and/or any political subdivision located in whole or in part within such county. Such projects may provide for regional development, economic development, common education, general operations, capital improvements, county roads, weather modification or any other purpose deemed, by a majority vote of the county commissioners, to be necessary to promote safety, security and the general well-being of the people. The county shall identify the purpose of the tax when it is presented to the voters pursuant to the provisions of subsection (1) of this section. Except as otherwise provided in this section, the proceeds of any tax levied by a county pursuant to this section shall be deposited in the general revenue or revolving fund of the county and shall be used only for the purpose for which such tax was designated. Revenue generated from the levy of a tax pursuant to the provisions of this section shall be used exclusively to pay for the designated particular purpose on a pay-as-you-go basis and shall not be used to pay bond obligations or other debt.

(b) Any tax authorized by this section and presented to the voters pursuant to the provisions of this section, in addition to complying with all other provisions of this section, may be presented as a two-phased tax in the following manner: the tax to be voted upon may be presented to the voters and, if approved, imposed, in the first phase, at a rate consistent with the limitation provided for in this section and for a designated duration for the particular purpose designated; and following that duration of time, as the second of the two-phases, the tax rate may be lowered, as presented to the voters, and continued for an additional designated period or may be continued for a period not to exceed twenty (20) years from the date the tax is levied, for the purpose of generating revenue for the on-going operations of the designated particular purpose described to the voters. If such a two-phased approach is presented to the voters, the duration, purpose and tax rate of each phase shall be clearly described to the voters on the ballot.

(4) The life of the tax provided for in this section shall be limited in duration to a period not to exceed twenty (20) years from the date the tax is initially levied. The county shall identify the duration of the tax when it is presented to the voters pursuant to the provisions of this section.

63-4302. MUNICIPAL LOCAL-OPTION NONPROPERTY TAX - NOTICE OF RATE CHANGE - DURATION - VOTING AND ELECTION FOR LEVY. (1) A city of this state may levy a sales tax and a use tax in a like manner as provided for by the provisions of Title 63, Chapter 36, Idaho Code. Such sales tax and use tax shall not exceed one percent (1%) and shall be imposed upon all items in the city upon which a sales and use tax is levied by this state pursuant to the provisions of Title 63, Chapter 36, Idaho Code. Before such tax may be levied by the city, the imposition of the tax shall first be approved by a majority of the qualified electors of the city voting thereon at an election called by the governing authority of the city. Such election shall be held at the next scheduled general election as provided for in section 34-101, Idaho Code. Any sales tax approved by the qualified electors of a city shall be applicable only when the point of sale is within the legal boundary of such city. Any tax levied or any change in the rate of a tax levied pursuant to the provisions of this section shall become effective on the first day of the calendar quarter following approval by the qualified electors of the city unless another effective date, which shall also be on the first day of a calendar quarter, is specified in the ordinance levying the tax or changing the rate of the tax. An election held pursuant to this section shall be held in a manner consistent with the provisions of Title 34, Idaho Code.

(2) Subject to the provisions of Title 63, Idaho Code, all items that are exempt from the state sales tax and the state use tax shall be exempt from any tax levied by a city pursuant to this section.

(3)(a) Any tax which may be levied by a city pursuant to this section shall be designated for a particular purpose. Such purposes may include, but are not limited to, projects owned by the state, any agency or instrumentality thereof, the city and/or any political subdivision located in whole or in part within such city. Such projects may provide for regional development, economic development, common education, general operations, capital improvements, city roads, weather modification or any other purpose deemed, by the corporate authorities of the city, to be necessary to promote safety, security and the general well-being of the people. The city shall identify the purpose of the tax when it is presented to the voters pursuant to the provisions of subsection (1) of this section. Except as otherwise provided in this section, the proceeds of any tax levied by a city pursuant to this section shall be deposited in the general revenue or revolving fund of the city and shall be used only for the purpose for which such tax was designated. Revenue generated from the levy of a tax pursuant to the provisions of this section shall be used exclusively to pay for the designated particular purpose on a pay-as-you-go basis and shall not be used to pay bond obligations or other debt.

(b) Any tax presented to the voters pursuant to the provisions of this section, in addition to complying with all other provisions of this section, may be presented as a two-phased tax in the following manner: the tax to be voted upon may be presented to the voters and, if approved, imposed, in the first phase, at a rate consistent with the limitation provided for in this section and for a designated duration for the particular purpose designated; and following that duration of time, as the second of the two-phases, the tax rate may be lowered, as presented to the voters, and continued for an additional designated period not to exceed twenty (20) years, for the purpose of generating revenue for the on-going operations of the designated particular purpose described to the voters. If such a two-phase approach is presented to the voters, the duration, purpose and rate of each phase shall be clearly described to the voters on the ballot.

(4) The life of the tax provided for in this section shall be limited in duration to a period not to exceed twenty (20) years. The city shall identify the duration of the tax when it is presented to the voters pursuant to the provisions of this section.

63-4303. LOCAL RATE AND BOUNDARY CHANGES. For purposes of local rate and boundary changes, this act shall comply with the provisions of the state streamlined sales tax upon the passage and approval of the state streamlined sales tax.

63-4304. TAX REPEAL OR REAUTHORIZATION. The tax or the rate of the tax in effect as provided for in sections 63-4301 or 63-4302, Idaho Code, may be changed, repealed or extended, but only if approved by a majority of all votes cast by the qualified electors voting in a repeal, reauthorization or rate change election conducted for such purpose. Such election may be held at the general election, as provided for in Section 34-101, Idaho Code, in any year prior to the expiration of the term of the tax then in effect. Such election shall be held in a manner consistent with the provisions of Title 34, Idaho Code. A clear description of the proposed change, repeal or reauthorization shall be included on the ballot.

63-4305. COLLECTION AND ADMINISTRATION OF CERTAIN TAXES BY STATE TAX COMMISSION -- DISTRIBUTION. (a) Any county or city which has levied a tax pursuant to section 63-4301 and 63-4302, Idaho Code, shall contract with the state tax commission for the collection and administration of such taxes in a like manner and under definitions and rules of the state tax commission for the collection and administration of the state sales or use tax under chapter 36, title 63, Idaho Code. A county or city which levies such tax shall have the right to review and audit the records of collection thereof maintained by the commission and the returns of taxpayers relating to such tax.

(b) All revenues collected by the state tax commission pursuant to either section 63-4301 or 63-4302, Idaho Code, shall be distributed as follows:

(1) An amount of money shall be distributed to the state refund account sufficient to pay current refund claims. All refunds authorized by the commission to be paid shall be paid through the state refund account and those moneys are continuously appropriated;

(2) An amount of money equal to such fee as may be agreed upon between the commission and such county or city for the actual cost of the collection and administration of the tax. Any unencumbered balance in excess of the actual cost at the end of each fiscal year shall be distributed as provided in paragraph (3) of this subsection;

(3) All remaining moneys received pursuant to this act shall be placed in an account designated by the state controller and remitted monthly to the county or city levying such tax.

63-4306. COORDINATION OF COUNTY AND CITY LOCAL-OPTION NONPROPERTY TAXES. No city may adopt, implement or collect a city local-option nonproperty tax as provided for in this act if the county in which the city's governing body is located has adopted the same tax. The provisions of this section shall not apply to any resort city tax authorized pursuant to the provisions of chapter 10, title 50, Idaho Code.

SECTION 2. SEVERABILITY. The provisions of this act are hereby declared to be severable and if any provision of this act or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of the remaining portions of this act.

Section 1. That Section 33-1103, Idaho Code, be, and the same is hereby amended to read as follows:

33-1103. DEFINITIONS -- BONDS -- LIMITATION ON AMOUNT -- ELECTIONS TO AUTHORIZE ISSUANCE. (1) For the purposes of this chapter the following definitions shall have the meanings specified: "Market value for assessment purposes" means the amount of the last preceding equalized assessment of all taxable property and all property exempt from taxation pursuant to section 63-602G, Idaho Code, ~~and property exempt from taxation pursuant to section 63-602KK, Idaho Code,~~ within the school district on the tax rolls completed and available as of the date of approval by the electorate in the school bond election. "Aggregate outstanding indebtedness" means the total sum of unredeemed outstanding bonds, minus all moneys in the bond interest and redemption fund or funds accumulated for the redemption of such outstanding bonds, and minus the sum of all taxes levied for the redemption of such bonds, with the exception of that portion of such tax levies required for the payment of interest on bonds, which taxes remain uncollected. "Issue," "issued," or "issuance" means a formal delivery of bonds to any purchaser thereof and payment therefor to the school district.

(2) The board of trustees of any school district, upon approval of a majority thereof, may submit to the qualified school district electors of the district the question as to whether the board shall be empowered to issue negotiable coupon bonds of the district in an amount and for a period of time to be named in the notice of election.

(3) An elementary school district which employs not less than six (6) teachers, or a school district operating an elementary school or schools, and a secondary school or schools, or issuing bonds for the acquisition of a secondary school or schools, may issue bonds in an amount not to exceed five percent (5%) of the market value for assessment purposes thereof, less the aggregate outstanding indebtedness; and no other school district shall issue bonds in an amount to exceed at any time two percent (2%) of the market value for assessment purposes thereof less the aggregate outstanding indebtedness. The market value for assessment purposes, the aggregate outstanding indebtedness and the unexhausted debt-incurring power of the district shall each be determined as of the date of approval by the electors in the school bond election.

(4) Notice of the bond election shall be given, the election shall be conducted and the returns thereof canvassed, and the qualifications of electors voting or offering to vote shall be, as provided in title 34, Idaho Code.

(5) The question shall be approved only if the percentage of votes cast at such election were cast in favor thereof is that which now, or may hereafter be, set by the constitution of the state of Idaho. Upon

such approval of the issuance of bonds, the same may be issued at any time after the date of such election.

SECTION 2. That Section 63-309, Idaho Code, be, and the same is hereby amended to read as follows:

63-309. IMPROVEMENTS ON EXEMPT AND RAILROAD RIGHTS-OF-WAY LANDS -- EQUITY IN STATE PROPERTY. (1) All taxable improvements on government, Indian, state, county, municipal or other lands exempt from taxation, and all improvements on all railroad rights-of-way owned separately from the ownership of the rights-of-way upon which the same stands, or in which nonexempt persons have possessory interests, shall be assessed and taxed as personal property, but such improvements shall not be eligible for the exemption provided in section 63-602KK, Idaho Code.

(2) Property of the state of Idaho or any department, agency or subdivision thereof, or any other property not subject to property taxation to the owner thereof by reason of the legal status of the owner, held under contract of sale or lease with option to purchase, with lease moneys applicable to the purchase price, by any person, corporation or other association for his or its exclusive use, shall be subject to the purchaser or lessee for property taxation. When such property is held under a contract of sale or other agreement whereby on certain payment or payments the legal title is or may be acquired by such person, firm, corporation or association, such property shall be assessed to such person, firm, corporation or association and taxed without deduction on account of the whole or any part of the purchase price or other sum due on such property remaining unpaid. The lien for any such property tax shall neither attach to, impair or be enforced against any interest of the state of Idaho or any department, agency or subdivision thereof.

(3) Refusal to pay the property tax levied upon any equity in state property by the owner upon demand by the tax collector shall operate as forfeiture of such equity.

SECTION 3. That Section 63-602KK, Idaho Code, be, and the same is hereby amended to read as follows:

63-602KK PROPERTY EXEMPT FROM TAXATION -- CERTAIN PERSONAL PROPERTY. (1)(a) An item of taxable personal property purchased on or after January 1, 2013, shall be exempt from property taxation if the item of taxable personal property has an acquisition price of three thousand dollars ($3,000) or less.

(b) For purposes of this section, the term "acquisition cost" means all costs required to put an item of taxable personal property into services and includes:

(i) The purchase price of a new or used item;

(ii) The cost of freight and shipping;
(iii) the cost of installation, engineering, erection or assembly; and
(iv) Sales and use taxes.

(c) For purposes of this subsection, an "item of taxable personal property" means equipment, machinery, furniture or other personal property that is functioning at its highest and best use for the purpose it was designed and constructed and is generally capable of performing that function without being combined with other items of personal proeprty. An item of taxable personal property is not an individual component part of a piece of equipment, machinery, furniture or other personal property as a whole. An item of taxable personal property does not include an improvement to real property, a part that will become an improvement, or anything defined as a fixture.

(2) On and after January 1, 2013, each taxpayer's personal property, located in the county, which is not otherwise exempt, shall be exempt to the extent of one hundred thousand dollars ($100,000). For the purposes of this section, a taxpayer includes two (2) or more individuals using the property in a common enterprise or a related group of two (2) or more organizations when the individuals or organizations are within a relationship described in section 267 of the Internal Revenue Code, as defined in section 63-3004, Idaho Code.

(3) (a) No later than the third Monday of November 2013, the county clerk of each county shall certify to the state tax commission the amount of exemption from property taxes under subsection (2) of this section, in that county for that year. The certification shall identify the property receiving tax reductions, the value of the property, the property's location, the amount of the tax levy applicable to personal property in the location, and the tax before and after the exemption allowed in subsection (2) of this section. The certification shall be in the form prescribed by the state tax commission and shall include such additional information as the commission may require by rule as needed to implement the purpose of this section. The certification shall be reviewed and, if necessary, corrected by the state tax commission.

(b) For the year beginning January 1, 2014, and every year thereafter, the amount of annual replacement of property tax on personal property exempted pursuant to subsection (2) of this section shall be the amount approved by the state tax commission pursuant to paragraph (a) of this subsection.

(4) (a) Subject to the limitations of this section, the state tax commission shall reimburse from the amount appropriated for personal property tax replacement in section 63-3638, Idaho Code, the county treasurer of each county for the reduction on the certification provided in subsection (3) of this section. The county treasurer shall reimburse from the amount received to each

taxing district within the county an amount in proportion to the amount of reduction shown on the certification in subsection (3) of this section as corrected. The amount that would otherwise be attributable to tax revenues derived from tax levies on personal property exempted by this section within an existing revenue allocation area as defined in section 50-2903(15), Idaho Code, shall be paid directly by the county treasurer to such public body or agency entitled thereto, equal to the amounts that would have been distributed in accordance with the formula for such distribution set forth in section 50-2908, Idaho Code. If taxing districts are consolidated, the resulting district is entitled to an amount equal to the sum of the amounts which were received in the last reimbursement by each district pursuant to this subsection prior to the consolidation. If a taxing district or revenue allocation area is dissolved or disincorporated, the state tax commissioner shall continuously distribute to the county board of commissioners an amount equal to the last distribution prior to dissolution or disincormporation. If a taxing district annexes territory, the distribution of moneys received pursuant to this subsection shall be unaffected. Taxing districts created on or after January 1, 2013, shall not be eligible for the reimbursement provided for in this paragraph.
(b) The state tax commission shall pay one-half (1/2) of the reimbursement provided in this section no later than December 20 of each year, and the second one-half (1/2) shall be paid by no later than June 20 of the following year. The money received by the county tax collector under the provisions of this section may be considered by counties and other taxing districts and budgeted against at the same time, and in the same manner, and in the same year as revenues from taxation. The total amount paid to the county treasurers shall not exceed the amount certified to the state tax commission under subsection (3) of this section.
(c) For purposes of the limitation provided by section 63-802, Idaho Code, moneys received from distributions pursuant to section 63-3638, Idaho Code, as property tax replacement for the taxable value of property exempt from taxation pursuant to this section shall be treated as property tax revenues.
(5) (a) Nothing contained in this section shall affect the taxation of forest lands or forest products pursuant to chapter 17, title 63, Idaho Code, or the taxation of the net profits of mines pursuant to chapter 28, title 28, Idaho Code.
(b) The exemption from personal property tax provided for in subsection (2) of this section shall not apply to motor vehicles, recreational vehicles, aircraft and boats, which are not registered with the state of Idaho and for which required registration fees have not been paid.

(6) (a) The application from personal property tax provided for in subsection (2) of this section shall be in the form prescribed by the state tax commission and shall include such information as the state tax commission may require by rule as needed to implement the purposes of this section including, but not limited to, a list of each item of personal property, the purchase date of each item of personal property, the unit cost of each item of personal property, if more than the exemption allowed in subsection (1) of this section, and the total cost of the items of personal property.

(b) The application for this exemption, if the county is capable of so providing, may be transmitted electronically as that term is defined in section 63-115, Idaho Code, when requested by the taxpayer, or mailed by the county assessor to the taxpayer, or his agent or representative at the taxpayer's last known post office address, no later than March 1 of each year. The transmission or mailing of the application shall also include the taxpayer's application for the exemption allowed by this section for the last year in which the taxpayer filed an application.

(c) A taxpayer need only make application for the exemption in this section once ~~every five years~~, as long as all of the following conditions are met:

(i) The taxpayer has received the exemption during the previous year as a result of him making a valid application as defined in this section.

(ii) The amount of the exemption allowed by this section is more than the taxable value of personal property owned by the taxpayer.

(iii) The taxpayer has not made purchases of personal property, excluding items of taxable personal property exempted pursuant to subsection (1) of this section, that would cause the taxable value of the personal property owned by the taxpayer to exceed the maximum amount allowed as an exemption by this section.

(iv) Knowingly failing to report changes in the taxable value of personal property that exceed the amount of the exemption allowed pursuant to subsection (2) of this section shall subject the taxpayer to a fine not in excess of ten thousand dollars ($10,000) in addition to other penalties set forth in this chapter.

(7) Recovery of property tax exemptions allowed by this section but improperly claimed ~~per affidavit~~:

(a) Upon discovery of evidence, facts or circumstances indicating any exemption allowed by this section was improperly claimed, the county assessor shall decide whether the exemption claimed should have been allowed, and if not, notify the board of county commissioners, at which time the board may waive a recovery of the property tax and notify such taxpayer in writing.

(b) The assessment and collection of the recovery of property tax must begin within the seven (7) year period beginning on the date the assessment notice reflecting the improperly claimed exemption was required to be mailed to the taxpayer.
(c) The taxpayer may appeal to the board of tax appeals the decision by the board of county commissioners to assess the recovery of property tax within thirty (30) days of the date the county assessor sent the notice to the taxpayer pursuant to this section.
(d) For purposes of calculating the tax, the amount of the recovered property tax shall be for each year the exemption allowed by this section was improperly claimed or approved, up to a maximum of seven (7) years. The amount of the recovery of property tax shall be calculated using the product of the amount of exempted value for each year multiplied by the levy for that year plus costs, late charges and interest for each year at the rates equal to those provided for delinquent property taxes during that year. In cases of fraud, the fine set forth in subsection (6)(d) of this section shall be assessed for each annual affidavit filed.
(e) Any recovery of property tax shall be due and payable no later than the date provided for property taxes in section 63-903, Idaho Code, and if not timely paid, late charges and interest, beginning the first day of January in the year following the year the county assessor sent the notice to the taxpayer pursuant to this section, shall be calculated at the current rate provided for property taxes.
(f) Recovered property taxes shall be billed, collected and distributed in the same manner as property taxes, except each taxing district or unit shall be notified of the amount of any recovered property taxes included in any distribution.
(g) Thirty (30) days after the taxpayer is notified, as provided in subsection (7)(a) of this section, the assessor shall record a notice of intent to attach a lien. Upon the payment in full of such recovered property taxes prior to the attachment of the lien as provided in subsection (7)(h) of this section, or upon the successful appeal by the taxpayer, the county assessor shall record a rescission of the intent to attach a lien within seven (7) business days of receiving such payment or within seven (7) business days of the county commissioners' decision granting the appeal.
(h) Any unpaid recovered property taxes shall become a lien upon the taxpayer's personal property in the same manner as provided for property taxes in section 63-206, Idaho Code, except such lien shall attach as of the first day of January in the year following the year the county treasurer sent the notice to the taxpayer pursuant to this section.

(i) For purposes of the limitation provided by section 63-802, Idaho Code, moneys received pursuant to this subsection as recovery of property tax shall be treated as property tax revenue.

SECTION 4. That Section 63-803, Idaho Code, be, and the same is hereby amended to read as follows:

63-803. CERTIFICATION OF BUDGETS IN DOLLARS. (1) Whenever any taxing district is required by law to certify to any county treasurer, county auditor, county assessor, county commissioners or to any other county officer, any property tax levy, upon property located within said district, such certification shall, notwithstanding any other provision of the law applicable to any such district, be made at the time and in the manner hereinafter provided.

(2) The county auditor shall inform each of the taxing districts within his county of the taxable value of that district as soon as such value is known to the auditor, whether the value comes from the appraisal and assessment of real and personal property, or from allocation of the taxable value of operating property, or from other sources.

(3) Using the taxable value of the district, the council, trustees, board or other governing body of any taxing district shall certify the total amount required from a property tax upon property within the district to raise the amount of money fixed by their budget as previously prepared or approved. The amount of money so determined shall be certified in dollars to the appropriate county commissioners. Any taxing unit, except regional airport authorities, located in more than one (1) county shall divide its dollar budget for certification to the separate counties by multiplying the amount of such budget by a fraction, the numerator of which shall be the total taxable value of all property in such taxing unit within the county to which such certification is to be made, and the denominator of which shall be the total taxable value of property in such taxing unit in all such counties. Budget certification to the participating counties of regional airport authorities shall be made in the manner prescribed in section 21-807(10), Idaho Code. Taxable value shall be certified by the county auditor of each affected county to such taxing unit and such certification shall be used in this formula. Except as provided in section 33-805, Idaho Code, relating to school emergency fund levies, the certification to the county commissioners required in this section shall be made not later than the Thursday prior to the second Monday in September, unless, upon application therefor, the county commissioners grant an extension of not more than seven (7) working days. After receipt of this certification, the county commissioners shall make a tax levy as a percent of taxable value of all property in

the taxing district, which when applied to the tax rolls, will meet the budget requirements certified by such taxing districts.

(4) Except as provided in subsection (1)(a) through (f) of section 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall mean the portion of the equalized assessed value, less any exemptions, ~~except the exemption for personal property in section 63-602KK, Idaho Code,~~ and the value that exceeds the value of the base assessment roll for the portion of any taxing district within a revenue allocation area of an urban renewal district, located within each taxing district which certifies a budget to be raised from a property tax levy. When the county auditor is notified of revenues sufficient to cover expenses as provided in section 50-2903(5), Idaho Code, taxable value shall also include the value that exceeds the value of the base assessment roll for the portion of any taxing district within a revenue allocation area. For each taxing district, taxable value shall include the value from the property and operating property rolls for the current year and subsequent and missed property rolls for the prior year or the best estimate of the subsequent and missed property rolls for the current year.

SECTION 5. That Section 63-803, Idaho Code, as added by Section 13, Chapter 339, Laws of 2012, be, and the same is hereby amended to read as follows:

63-803. CERTIFICATION OF BUDGETS IN DOLLARS.[EFFECTIVE JULY 1, 2017] (1) Whenever any taxing district is required by law to certify to any county treasurer, county auditor, county assessor, county commissioners or to any other county officer, any property tax levy, upon property located within said district, such certification shall, notwithstanding any other provision of the law applicable to any such district, be made at the time and in the manner hereinafter provided.

(2) The county auditor shall inform each of the taxing districts within his county of the taxable value of that district as soon as such value is known to the auditor, whether the value comes from the appraisal and assessment of real and personal property, or from allocation of the taxable value of operating property, or from other sources.

(3) Using the taxable value of the district, the council, trustees, board or other governing body of any taxing district shall certify the total amount required from a property tax upon property within the district to raise the amount of money fixed by their budget as previously prepared or approved. The amount of money so determined shall be certified in dollars to the appropriate county commissioners. Any taxing unit, except regional airport authorities, located in more than one (1) county shall divide its dollar budget for certification

to the separate counties by multiplying the amount of such budget by a fraction, the numerator of which shall be the total taxable value of all property in such taxing unit within the county to which such certification is to be made, and the denominator of which shall be the total taxable value of property in such taxing unit in all such counties. Budget certification to the participating counties of regional airport authorities shall be made in the manner prescribed in section 21-807(10), Idaho Code. Taxable value shall be certified by the county auditor of each affected county to such taxing unit and such certification shall be used in this formula. Except as provided in section 33-805, Idaho Code, relating to school emergency fund levies, the certification to the county commissioners required in this section shall be made not later than the Thursday prior to the second Monday in September, unless, upon application therefor, the county commissioners grant an extension of not more than seven (7) working days. After receipt of this certification, the county commissioners shall make a tax levy as a percent of taxable value of all property in the taxing district, which when applied to the tax rolls, will meet the budget requirements certified by such taxing districts.

(4) Except as provided in subsection (1)(a) through (e) of section 50-2908, Idaho Code, for the purpose of this section, "taxable value" shall mean the portion of the equalized assessed value, less any exemptions, ~~except the exemption for personal property in section 63-602KK, Idaho Code,~~ and the value that exceeds the value of the base assessment roll for the portion of any taxing district within a revenue allocation area of an urban renewal district, located within each taxing district which certifies a budget to be raised from a property tax levy. When the county auditor is notified of revenues sufficient to cover expenses as provided in section 50-2903(5), Idaho Code, taxable value shall also include the value that exceeds the value of the base assessment roll for the portion of any taxing district within a revenue allocation area. For each taxing district, taxable value shall include the value from the property and operating property rolls for the current year and subsequent and missed property rolls for the prior year or the best estimate of the subsequent and missed property rolls for the current year.

SECTION 6. An emergency existing therefore, which emergency is hereby declared to exist, Section 1, 2, 3, and 4 of this act shall be in full force and effect on and after January 1, 2014. Section 5 of this act shall be in full force and effect on and after July 1, 2017.

Association of Idaho Cities
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Friday, September 28, 2012

To: Members of the Natural Resources Interim Committee

Sen. Monty Pearce, Co-Chair	Rep. Dell Raybould, Co-Chair
Sen. Steve Bair	Rep. Bert Stevenson
Sen. Jeff Siddoway	Rep. Scott Bedke
Sen. Lee Heider	Rep. Mike Moyle
Sen. Michelle Stennett	Rep. Donna Pence
Sen. Dean Cameron (Ad Hoc)	Rep. Ken Andrus (Ad Hoc)
Sen. Bert Brackett (Ad Hoc)	Rep. Frank Henderson (Ad Hoc)
Sen. Shawn Keough (Ad Hoc)	Rep. Paul Shepherd (Ad Hoc)
Sen. Jim Hammond (Ad Hoc)	Rep. Grant Burgoyne (Ad Hoc)
Sen. Elliot Werk (Ad Hoc)	

From: Ken Harward, Executive Director

Re: Association of Idaho Cities Supports State Primacy Over NPDES Program

The Association of Idaho Cities supports state primacy over the NPDES program and recognizes that cities, which comprise over half of the permitees in the state, will be responsible for bearing their fair share of the costs of a state-administered NPDES program.

Currently, there are 119 NPDES permits for wastewater treatment facilities in Idaho, 9 for water treatment and geothermal facilities and 14 for stormwater systems.

Our association believes that state administration of the NPDES program would result in:

- Better coordination of various Clean Water Act programs and responsibilities (e.g. TMDLs, water quality standards...),
- Protecting our water quality while providing additional flexibility and lower implementation costs for permitees, and
- Empowering a state agency with a local presence and greater understanding of local water quality and economic issues to administer the NPDES program (e.g. issuing permits, inspecting facilities, and carrying out enforcement).

over

The Association of Idaho Cities brought together an ad hoc workgroup including representatives of cities, the Idaho Department of Environmental Quality, consulting engineers and public works professionals in 2009 to examine the costs associated with state primacy.

The workgroup concluded that the cost of administering the NPDES program would be approximately $2.6 million annually. Municipal NPDES permits were estimated to comprise 51 percent of the total program effort, equating to roughly $1.33 million annually.

Cities with wastewater treatment operations subject to NPDES permitting have approximately 364,000 wastewater connections and allocating the costs on a per-connection basis results in a cost of approximately $3.66 per connection, per year or $0.31 per connection, per month.

Cities with stormwater permits have a population of approximately 617,000 and the estimated annual stormwater permit program cost is $160,000; this amounts to about $0.26 per person, per year or $0.02 per person, per month.

The cities of Idaho see real value in a state-administered NPDES program and are willing to bear their fair share of the costs. When our organization began looking at state primacy in 2001-02, our idea of a fair allocation of funding responsibility was one-third from permitees, one-third from the federal government, and one-third from the state. Today, we recognize that the likelihood of federal or state funding is slim and the program will have to be funded primarily by permitees.

We appreciate the committee's consideration of this important issue. We would be happy to stand for any questions.

Idaho Municipal NPDES Permits

Wastewater Treatment

Aberdeen
Ahsahka Water & Sewer District
American Falls
Ashton
Blackfoot
Boise
Bonners Ferry
Bovill
Buhl
Burley Industrial
Burley
Caldwell
Carey Water & Sewer District
Cascade
Clarkia Water & Sewer District
Coeur d'Alene
Cottonwood
Council
Craigmont
Culdesac
Deary
Dover
Driggs
Elk City Water & Sewer Assn.
Elk River
Elk Valley Subdivision (Pine)
Emmett
Fairfield
Filer
Firth
Franklin
Fruitland (Payette River)
Fruitland (Snake River)
Genesee
Glenns Ferry
Gooding
Grace
Grangeville
Hagerman
Hailey
Hansen
Harrison
Hayden Area Reg. Sewer Bd.
Heyburn
Homedale
Horseshoe Bend
Idaho Falls
Inkom
Jerome
Joint School Dist. #171 (Orofino)
Jug Mtn. Ranch (Lake Fork)
Juliaetta
Kamiah
Kendrick
Ketchum
Kooskia
Kootenai-Ponderay Sewer Dist.
Kuna
Laclede Water Treatment Plant
Lapwai Valley Wastewater Plant
Lava Hot Springs
Lewiston
Mackay
Marsing
McCall
Meridian
Middleton
Montpelier
Moscow
Mountain Home Air Force Base
Mullan
Nampa
New Meadows
New Plymouth
Nezperce
North Idaho Correction Facility
Notus
Orofino
Parma
Payette
Pierce
Plummer
Pocatello
Post Falls
Potlatch
Preston
Priest River
Rexburg
Richfield
Rigby
Riggins
Ririe
Riverside Water & Sewer Dist.
Roberts
Rockland
St. Anthony
St. Maries
Salmon
Sandpoint
Santa-Fernwood Sewer District
Shelley
Shoshone
Smelterville
Soda Springs
SF CDA Rvr Sewer Dist. (Page)
SF CDA Rvr Sewer Dist. (Mullan)
Star Water & Sewer District
Stites
Tensed
The Meadows LLC (Ketchum)
Troy
Twin Falls
University of Idaho
Viola Water & Sewer District
Weippe
Weiser
Wilder
Winchester
Worley

Stormwater

Ada County Highway District
Boise, Garden City, Ada Co. Hwy. Dist., ITD Dist. 3
Caldwell
Canyon Highway District #4
Coeur d'Alene
Idaho Falls & ITD Dist. 6
Lakes Highway District
Middleton
Nampa
Nampa Highway District #1
Notus-Parma Highway District
Pocatello, Chubbuck, Bannock Co., ITD Dist. 5
Post Falls
Post Falls Highway District

Water Treatment

Bonners Ferry
Lewiston
Orofino
Pierce
Riverside Water District
Sandpoint
Weiser
Wilderness Ranch

Miscellaneous

Boise Geothermal
Caldwell Housing Authority
Paul Housing Authority

Resolution 2009-03

A RESOLUTION IN SUPPORT OF THE FINDINGS AND THE RECOMMENDATIONS CONTAINED IN THE NOVEMBER 30, 2009 AIC NPDES PRIMACY REPORT.

WHEREAS, the federal Clean Water Act, 33 U.S.C. §1251 *et seq.*, requires dischargers of pollutants to the navigable waters in Idaho to obtain a National Pollutant Discharge Elimination System (NPDES) permit; and

WHEREAS, the federal Clean Water Act authorizes the U.S. Environmental Protection Agency (EPA) to delegate administration and enforcement of the NPDES permit program to states; and

WHEREAS, administration of the NPDES permit program has been delegated to forty-six states, with Idaho one of four states remaining under EPA jurisdiction; and

WHEREAS, EPA administration of the NPDES program requires industry, cities, developers, and some agricultural operations in Idaho to apply to EPA Region 10 in Seattle for wastewater and/or stormwater permits; and

WHEREAS, extensive research and study of the costs and benefits of a state-administered NPDES permit program was undertaken by the Idaho Department of Environmental Quality (IDEQ) and various stakeholder organizations throughout the state from 2000 to 2005; and

WHEREAS, House Bill 176, passed by the 2005 Idaho Legislature, authorized IDEQ to examine the costs and benefits of a state-administered program, which was subsequently presented as Decision Analysis Report #3; and

WHEREAS, state administration of the NPDES program would result in significant benefits, including: improved coordination of various Clean Water Act programs and responsibilities, increased flexibility and lower implementation costs for permitees, and empowering a state agency with a local presence and a greater understanding of local water quality issues; and,

WHEREAS, EPA, IDEQ, AIC and stakeholder groups support state administration of the NPDES permit program; and

WHEREAS, the AIC Board of Directors has determined that delegation of the NPDES permit program to the State of Idaho could be a significant benefit to its members and is an important public policy issue; and

WHEREAS, the AIC membership, at its 2009 Annual Conference, unanimously approved Resolution 2009-02 which directed the Association of Idaho Cities to work with IDEQ to prepare an evaluation of the costs, benefits and program funding strategy for a state-administered NPDES permit program for consideration at AIC's fall Board of Directors meeting; and

WHEREAS, AIC formed an Ad Hoc NPDES Primacy Committee led by AIC President Mayor Tom Dale to prepare an evaluation of the costs, benefits and program funding strategy for a state-administered NPDES permit program for consideration at AIC's fall Board of Directors meeting; and

WHEREAS, the AIC Ad Hoc NPDES Primacy Committee prepared written findings and recommendations dated October 30, 2009 which recommended that municipalities fund the Municipal Waste Water Treatment portion of the program on a per connection basis estimated at approximately $3.66 per year per connection and that AIC continue to work with IDEQ and the other stakeholders (mining, industry and aquaculture) to develop a 2011 legislative proposal for pursuing state primacy; and

WHEREAS, the AIC Ad Hoc NPDES Primacy Committee findings and recommendations dated October 30, 2009, were presented to the Association of Idaho Public Works Professionals at the 2009 fall meeting and were unanimously supported by the group.

NOW, THEREFORE, BE IT RESOLVED that AIC supports the recommendations contained in the November 30, 2009 AIC NPDES Primacy report; AIC will continue working with IDEQ and the other stakeholders (mining, industry and aquaculture) to encourage the 2010 Idaho Legislature to adopt a concurrent resolution supporting the continued study of NPDES Primacy; AIC also supports the development of legislation for consideration during the 2011 legislative session implementing the recommendations outlined in the October 30, 2009 AIC NPDES Primacy report.

Adopted December 3, 2009

Proposed Legislation on NPDES Primacy

39-175. [Reserved.]

39-175A. Legislative findings and purposes. - (1) The legislature finds:

(a) That navigable waters within the state are one of the state's most valuable natural resources;

(b) That it is in the public interest to promote effective and efficient regulation of the discharge of pollutants into navigable waters, and that the ~~o explore whether the~~ state should control such permitting decisions as authorized under the federal clean water act;

(c) That the clean water act allows a state to develop and implement, with approval from the United States environmental protection agency, a national pollutant discharge elimination system (NPDES) program to be administered by the state;

(d) That the clean water act, as amended, and regulations adopted pursuant thereto, establish complex and detailed provisions for regulation of those who discharge pollutants into navigable waters;

(e) That a state program to implement permitting decisions as authorized in the clean water act, and regulations adopted pursuant thereto may enable the state to issue flexible permits consistent with the clean water act and avoid the existence of duplicative, overlapping or conflicting state and federal regulatory and enforcement processes~~systems~~;

(f) That a state program must be run with a minimum of federal interference in permitting, inspection and enforcement activities and that all state permitting actions under the approved state program are to be state actions and are not subject to consultation under the endangered species act or analysis under the provisions of the national environmental policy act. There should be no conditions of approval of the state program which have the effect of undermining or circumventing the~~i~~se principles;

(g) That the decision to accept delegation of authority from the environmental protection agency to operate an NPDES program has significant public policy implications that should be made by the legislature.

(2) Therefore, it is the intent of the legislature to establish requirements that must be satisfied prior to legislative approval of a permitting program that complies with the clean water act and which incorporates flexible permitting procedures and rules to be promulgated by the board.

39-175B. Relationship between state and federal law. - The legislature cannot conveniently or advantageously set forth in this chapter all the requirements of all of the regulations which have been or will be established under the clean water act. However, any state permitting program must avoid the existence of duplicative, overlapping or conflicting state and federal regulatory systems. Further, the board may promulgate rules to implement a state permitting program but such rules shall not impose conditions or requirements more stringent or broader in scope than clean water act and regulations adopted pursuant thereto. Further, the department will not require NPDES permits for activities and sources not required to have permits by' the United States environmental protection

39-175C. Approval of state NPDES program. - (1) The department is authorized to pursue approval of ~~explore whether the state should operate~~ an NPDES program ~~by evaluating the costs and benefits to the state, of such a program,~~ consistent with the requirements of this section. The department shall submit ~~prepare~~ a complete application consistent with the requirements of the Clean Water Act and 40 CFR 123 to the environmental protection agency to obtain approval for a state NPDES program by September 1, 2016~~report to the legislature as to its findings by December 31, 2005~~.

(2) The board is authorized to proceed with negotiated rulemaking and all other actions that may eventually be necessary to obtain approval of a state NPDES ·program by the United States environmental protection agency including rules authorizing the collection of reasonable fees for processing and implementing a NPDES permit program. Such fees shall not be assessed or collected until the state obtains an approved NPDES program consistent with the requirements of this section.

~~(3) The director shall not execute a memorandum of agreement with the United States environmental protection agency to obtain NPDES program approval as specified under section 402 of the clean water act and 40 CFR 123 until completion of any required consultation and issuance of any final biological opinion or biological assessment under the endangered species act.~~

(3)~~(4)~~ Any memorandum of agreement executed by the director to obtain approval to operate a state NPDES program shall not be binding on the state of Idaho unless authorized by enactment of a statute. Any memorandum of agreement not authorized in the above manner shall be of no force and effect.

(4)~~(5)~~ Implementation of a state NPDES program shall not occur prior to statutory enactment of implementing legislation and authorization of a memorandum of agreement as specified in subsection (4) of this section.

(5) The director, as appropriate, shall establish agreements with other state agencies with expertise, to administer the NPDES program.

(6) No provision of this chapter shall be interpreted as to supersede, abrogate, injure or create rights to divert or store water and apply water to beneficial uses established under section 3, article XV, of the constitution of the state of Idaho, and title 42, Idaho Code.

(7) Nothing in this section is intended to supersede any existing agreements between federal, state or local agencies regarding authority over inspections, enforcement or other obligations under the clean water act.

	FYE 2013	FYE 2012	FYE 2011	FYE 2010	FYE 2009	FYE 2008	FYE 2007	FYE 2006	FYE 2005	FYE 2004
BUDGETED:										
Total Adopted Budget Expenditures	$ 5,400,187	$ 5,092,183	$ 4,943,257	$ 6,897,801	$ 6,005,443	$ 3,672,966	$ 3,581,844	$ 2,427,948	$ 2,156,922	$ 1,980,240
Budget Amendment	$ 1,216,506	$ 750,000	$ -	$ 2,152,000	$ -	$ -	$ -	$ 494,000	$ 654,000	$ 29,000
Total Budgeted Expenditures with Amendment	$ 6,616,693	$ 5,842,183	$ 4,943,257	$ 9,049,801	$ 6,005,443	$ 3,672,966	$ 3,581,844	$ 2,921,948	$ 2,810,922	$ 2,009,240
Budgeted Reserves	$ 560,000	$ -	$ -	$ 1,962,600	$ -	$ 500,000	$ 500,000	$ 200,000	$ -	$ 63,294
Additional Reserves Budgeted by Amendment	$ 1,216,506	$ 750,000	$ -	$ 2,152,000	$ -	$ -	$ -	$ 494,000	$ 654,000	$ 29,000
Total Budgeted Reserves with Amendment	$ 1,776,506	$ 750,000	$ -	$ 4,114,600	$ -	$ 500,000	$ 500,000	$ 694,000	$ 654,000	$ 92,294
Original Adopted Budgeted Reserves as a % of Adopted Budget	10.4%	0.0%	0.0%	28.5%	0.0%	13.6%	14.0%	8.2%	0.0%	3.2%
Total Budgeted Reserves as a % of Total Budgeted Expenditures with Amendment	26.8%	12.8%	0.0%	45.5%	0.0%	13.6%	14.0%	23.8%	23.3%	4.6%
Budgeted Highway User Revenues	$ 1,441,000	$ 1,431,000	$ 1,382,000	$ 1,425,000	$ 1,425,000	$ 1,525,000	$ 1,415,000	$ 1,468,000	$ 1,353,000	$ 1,340,000
Highway User Revenues as a % of Adopted Budget	26.7%	28.1%	28.0%	20.7%	23.7%	41.5%	39.5%	60.5%	62.7%	67.7%
Highway User Revenues as a % of Total Budgeted Expenditures with Amendment	21.8%	24.5%	28.0%	15.7%	23.7%	41.5%	39.5%	50.2%	48.1%	66.7%
ACTUALS:										
Total Actual Expenditures	$ 4,515,238	$ 6,017,293	$ 4,808,551	$ 8,658,298	$ 4,179,476	$ 2,980,874	$ 2,857,202	$ 2,484,204	$ 2,927,459	$ 2,285,574
Total Actual Revenues	$ 6,275,519	$ 5,429,309	$ 4,955,376	$ 5,884,036	$ 5,024,556	$ 4,496,293	$ 3,919,091	$ 2,489,850	$ 2,082,429	$ 2,028,224
Surplus (Deficit)	$ 1,760,281	$ (587,984)	$ 146,825	$ (2,774,261)	$ 845,080	$ 1,515,419	$ 1,061,889	$ 5,647	$ (845,030)	$ (257,351)
Actual Deficit (Reserves) as a % of Actual Expenditures		9.8%		32.0%					28.9%	11.3%
Actual Highway User Revenues	$ 1,468,710	$ 1,458,008	$ 1,425,844	$ 1,429,056	$ 1,431,002	$ 1,509,813	$ 1,521,325	$ 1,463,739	$ 1,428,005	$ 1,375,847
Actual Highway User Revenues as a % of Actual Expenditures	32.5%	24.2%	29.7%	16.5%	34.2%	50.7%	53.2%	58.9%	48.8%	60.2%

General Fund
Reserves

2014 Idaho Transportation Survey: Goal, Themes, and Research Objectives

For Review by McClure Center's Highway Project Advisory Committee
On Dec. 4, 2013

Overall Study Goal

To generate scientifically valid data on voter perceptions, attitudes, and knowledge related to transportation in Idaho. The study will focus on roads, highways, and bridges.

Study Population

Random sample of likely voters to be interviewed by phone, January – February 2014

Core Research Themes and Objectives

(1) Perceptions about current condition of Idaho's transportation system

Respondents will be asked to rate the quality of Idaho's transportation infrastructure and whether conditions are improving or deteriorating over time. Objective is to learn whether people perceive there is a problem related to transportation infrastructure, or alternatively, the system is keeping up with demand.

(2) Perceptions of whether transportation issues are primarily related to the economy, safety for motorists, congestion, or some other issue

Respondents will be asked whether they think there is a connection between the state's transportation system and its economy (jobs, trade, economic growth), or alternatively, if they see transportation as mainly a congestion or safety issue. Objective is to learn what matters to voters when it comes to transportation.

(3) Knowledge about taxes and fees that go towards funding transportation in Idaho

Respondents will be asked questions designed to measure level of knowledge about current sources of transportation funding, history of funding increases, and fees and taxes in Idaho relative to other states. Objective is to learn what voters already know about transportation funding in Idaho.

(4) Attitudes towards alternative funding mechanisms and increasing allowable truck weight

Respondents will be asked about their support for alternative sources of funds for maintaining roads and bridges, including fuel taxes, vehicle registration, taxes on sales of new and used vehicles, taxes on auto parts and tires, and other possible sources. They will also be asked their opinion on the relative fairness of alternative funding mechanisms, and by implication, ways of determining how much people pay (vehicle weight, mileage driven, amount of fuel used, and cost of vehicle).

Respondents will also be asked their opinion on increasing the number of roads on which heavier trucks are allowed to drive, if local highway districts approve.

Objectives are to learn (a) which kinds of funding mechanisms have the most support and why and (b) public opinion regarding increased truck weights.

(5) Demographic and other respondent characteristics

Respondents will be asked questions about their age, gender, education level, household income, region of the state, and possibly how much they drive each year. Objective is to learn how Idahoans with different attitudes and perceptions vary by demographic and other characteristics.[1] In addition, data from questions on demographic and other characteristics will be used to compare final survey sample with Census Bureau estimates for all Idahoans 18 years and older. These comparisons allow us to evaluate how representative the sample is.

For Discussion: Optional Research Themes and Objectives

(1) Attitudes towards relative importance of specific policy objectives

Respondents could be asked how they rank particular transportation-related policy objectives. The recent Washington survey, for example, asked about support for five policy objectives: expanding travel options; improving transportation safety; maintaining the current infrastructure; increasing capacity of the current system; and protecting the environment. Objective would be to learn what people's priorities are.

(2) General perceptions about Idaho and its challenges

As in several of the other surveys, respondents could be asked whether Idaho is generally headed in the right or wrong direction and what the state's major challenges are (e.g. jobs, health care, education).

(3) General perceptions about economic development *(to be discussed)*

[1] For example, it may be that voters in more urban areas are more concerned about congestion and those in more rural areas are more concerned about safety. Or, it may be that people with higher incomes are more willing to support taxes on mileage and those with lower incomes are more willing to support taxes on new cars.

(4) General willingness to pay higher taxes or fees to support transportation

As in the Colorado survey, respondents could be asked whether state funding for the state's transportation system should be increased, decreased, or kept the same.

(5) Support for very specific funding proposals and / or rational for changing funding levels or types

As in the Colorado and Arizona surveys, questions in the Idaho study could probe on voter support for specific proposals. For example, the Arizona survey asked about funding options such as, "raising the gas tax to 8 cents a gallon to bring it to the national average and indexing it to raise an additional $296 million per year."

(6) Evaluation of tradeoffs between different funding priorities

As in the Arizona survey, questions in the Idaho study could address how voters perceive the relative importance of transportation and other uses of public dollars, e.g. education and health care. Objective would be to learn how people view competing demands for public funds, especially coming out of several years of flat and declining funding.

Miscellaneous "to be decided"

What funding mechanisms do advisors want included in the survey? In addition to fuel taxes, other mechanisms could include new and used vehicle sales taxes, property taxes (currently a source for funding local roads), impact fees and others.

In addition to focusing on roads and bridges, the survey could focus in a more limited way on other aspects of the transportation system, e.g. rail, public transit, sidewalks, bike lanes. Some or all of these transportation types were included in surveys done in Washington and North Carolina.

Could include questions may be included to probe for detail about mileage tax pilot project in Oregon.