

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 2

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO LEVY AND BOND ELECTIONS; AMENDING SECTION 34-439, IDAHO CODE,
2 TO ESTABLISH PROVISIONS REGARDING CERTAIN BALLOT DISCLOSURES IN BOND
3 ELECTIONS AND TO AUTHORIZE A PENALTY; AND AMENDING SECTION 34-439A,
4 IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING CERTAIN BALLOT DISCLO-
5 SURES IN LEVY ELECTIONS, TO AUTHORIZE A PENALTY, AND TO PROVIDE CORRECT
6 CODE REFERENCES.
7

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

9 SECTION 1. That Section 34-439, Idaho Code, be, and the same is hereby
10 amended to read as follows:

11 34-439. DISCLOSURES IN ELECTIONS TO AUTHORIZE BONDED INDEBTED-
12 NESS. (1) Notwithstanding any other provision of law, any taxing district
13 that proposes to submit any question to the electors of the district that
14 would authorize any bonded indebtedness shall provide a brief official
15 statement setting forth in simple, understandable language information on
16 the proposal substantially as follows:

17 (a) The purpose for which the bonds are to be used including, but not
18 necessarily limited to, a description of the facility and/or project
19 that will be financed, in whole or in part, by the sale of the bonds; the
20 date of the election; and the principal amount of the bonds to be issued;

21 (b) The anticipated interest rate on the proposed bonds based upon cur-
22 rent market rates and a maximum interest rate if a maximum is specified
23 in the question to be submitted to electors;

24 (c) The total amount to be repaid over the life of the bonds based on the
25 anticipated interest. Such total shall reflect three (3) components: a
26 total of the principal to be repaid; a total of the interest to be paid;
27 and the sum of both;

28 (d) The estimated average annual cost to the taxpayer of the proposed
29 bond, in the format of "A tax of \$ per \$100,000 of taxable assessed
30 value, per year, based on current conditions";

31 (e) The length of time, reflected in months or years, in which the pro-
32 posed bonds will be paid off or retired; and

33 (f) The total existing indebtedness, including interest accrued, of
34 the taxing district.

35 (2) (a) The formula for calculating the estimated average annual cost to
36 the taxpayer shall be as follows:

37 $((\text{Bond Total}/\text{Taxable Value}) \times 100,000)/\text{Duration} = \text{estimated average}$
38 $\text{annual cost to taxpayer};$ and

39 (b) The elements of which are defined as:

40 (i) "Bond total" means the total amount to be bonded, from subsec-
41 tion (1) (c) of this section as based on the anticipated interest
42 rate in subsection (1) (b) of this section;

1 (ii) "Duration" means the time, in years, from subsection (1) (e)
2 of this section; and

3 (iii) "Taxable value" means the most recent total taxable value
4 for property for the applicable taxing district, which shall be
5 obtained from the applicable county treasurer or assessor's of-
6 fice.

7 (3) The official statement shall be made a part of the ballot prior to
8 the location on the ballot where a person casts a vote and shall be included
9 in the official notice of the election.

10 (4) Any ballot question to authorize a bond after July 1, 2021, must in-
11 clude the information and language required by this section in order to be
12 binding. Furthermore, the ballot question may not include other informa-
13 tion or language regarding any other bond, levy, or matter, whether previ-
14 ous, current, or proposed.

15 (5) Failure to comply with the provisions of this section will result
16 in a ten thousand dollar (\$10,000) fine on the office of the county clerk and
17 nullify passage of the bond. The secretary of state will levy the fine and
18 deposit it in the general fund of the state of Idaho.

19 SECTION 2. That Section 34-439A, Idaho Code, be, and the same is hereby
20 amended to read as follows:

21 34-439A. DISCLOSURES IN ELECTIONS TO AUTHORIZE LEVY. (1) Notwith-
22 standing any other provision of law except for the provisions of section
23 63-802(1) (~~gh~~), Idaho Code, any taxing district that proposes to submit any
24 question to the electors of the district that would authorize any levy,
25 except for the levies authorized for the purposes provided in sections
26 63-802(1) (~~gh~~) and 33-802(4), Idaho Code, and except for levies relating to
27 bonded indebtedness where section 34-439, Idaho Code, applies, shall in-
28 clude in the ballot question, or in a brief official statement on the ballot
29 but separate from the ballot question, a disclosure setting forth in simple,
30 understandable language information on the proposal substantially as fol-
31 lows:

32 (a) The purpose for which the levy shall be used; the date of the elec-
33 tion; and the dollar amount estimated to be collected each year from the
34 levy;

35 (b) The estimated average annual cost to the taxpayer of the pro-
36 posed levy, in the form of "A tax of \$ per one hundred thousand dollars
37 (\$100,000) of taxable assessed value, per year, based on current con-
38 ditions." The dollar amount shall be calculated by multiplying the
39 expected levy rate by one hundred thousand dollars (\$100,000); and

40 (c) The length of time, reflected in months or years, in which the pro-
41 posed levy will be assessed.

42 (2) The information called for in subsection (1) of this section shall
43 be placed prior to the location on the ballot where a person casts a vote and
44 shall also be included in like manner in the official notice of the election.

45 (3) Any ballot question to authorize a levy after July 1, 2021, must in-
46 clude the information and language required by this section in order to be
47 binding. Furthermore, the ballot question may not include other informa-
48 tion or language regarding any other bond, levy, or matter, whether previ-
49 ous, current, or proposed.

1 (4) Failure to comply with the provisions of this section will result
2 in a ten thousand dollar (\$10,000) fine on the office of the county clerk and
3 nullify passage of the levy. The secretary of state will levy the fine and
4 deposit it in the general fund of the state of Idaho.