

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 521

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO TAXATION; PROVIDING LEGISLATIVE FINDINGS AND INTENT; AMENDING
2 SECTION 63-3024, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE INCOME
3 TAX RATE ON INDIVIDUALS, ESTATES, AND TRUSTS; AMENDING SECTION 63-3025,
4 IDAHO CODE, TO REVISE PROVISIONS REGARDING THE CORPORATE INCOME TAX
5 RATE; AMENDING SECTION 33-911, IDAHO CODE, TO REVISE PROVISIONS RE-
6 GARDING THE SCHOOL DISTRICT FACILITIES FUND; AMENDING SECTION 33-102A,
7 IDAHO CODE, TO REVISE PROVISIONS REGARDING THE APPOINTMENT OF AN EX-
8 ECUTIVE OFFICER OF THE STATE BOARD OF EDUCATION AND TO PROVIDE FOR A
9 CERTAIN REPORT; AMENDING SECTION 33-104, IDAHO CODE, TO REVISE PROVI-
10 SIONS REGARDING THE CONDUCT OF MEETINGS OF THE STATE BOARD OF EDUCATION;
11 AMENDING SECTION 34-106, IDAHO CODE, TO REMOVE A PROVISION REGARDING
12 SCHOOL DISTRICT BOND AND PROPERTY TAX LEVY ELECTIONS; AMENDING SECTION
13 33-802A, IDAHO CODE, TO REVISE PROVISIONS REGARDING THE COMPUTATION OF
14 SCHOOL BOND AND INTEREST LEVIES; REPEALING SECTION 33-905, IDAHO CODE,
15 RELATING TO THE SCHOOL DISTRICT BUILDING ACCOUNT; REPEALING SECTION
16 33-906, IDAHO CODE, RELATING TO THE BOND LEVY EQUALIZATION SUPPORT PRO-
17 GRAM; REPEALING SECTION 33-906A, IDAHO CODE, RELATING TO THE BOND LEVY
18 EQUALIZATION FUND; REPEALING SECTION 33-906B, IDAHO CODE, RELATING TO A
19 VALUE INDEX CALCULATION; AMENDING SECTION 33-907, IDAHO CODE, TO REVISE
20 PROVISIONS REGARDING THE PUBLIC EDUCATION STABILIZATION FUND; AMENDING
21 CHAPTER 9, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-912,
22 IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING THE SCHOOL MODERNIZATION
23 FACILITIES FUND; AMENDING CHAPTER 9, TITLE 33, IDAHO CODE, BY THE ADDI-
24 TION OF A NEW SECTION 33-913, IDAHO CODE, TO PROVIDE FOR THE ISSUANCE OF
25 BONDS FROM THE SCHOOL MODERNIZATION FACILITIES FUND; AMENDING CHAPTER
26 9, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-914, IDAHO
27 CODE, TO PROVIDE FOR THE ELECTION OF AN ANNUALIZED OR LUMP SUM DISTRI-
28 BUTION FROM THE SCHOOL MODERNIZATION FACILITIES FUND; AMENDING CHAPTER
29 9, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-915, IDAHO
30 CODE, TO PROVIDE FOR A FIXED DISTRIBUTION FROM THE SCHOOL MODERNIZATION
31 FACILITIES FUND; AMENDING CHAPTER 9, TITLE 33, IDAHO CODE, BY THE ADDI-
32 TION OF A NEW SECTION 33-916, IDAHO CODE, TO PROVIDE FOR THE ELIGIBILITY
33 OF SCHOOL DISTRICTS FOR SCHOOL MODERNIZATION FACILITIES FUND DISTRI-
34 BUTIONS; AMENDING CHAPTER 9, TITLE 33, IDAHO CODE, BY THE ADDITION OF
35 A NEW SECTION 33-917, IDAHO CODE, TO PROVIDE FOR A SCHOOL DISTRICT'S
36 USE OF FUNDS FROM THE SCHOOL MODERNIZATION FACILITIES FUND; AMENDING
37 CHAPTER 9, TITLE 33, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 33-918,
38 IDAHO CODE, TO PROVIDE FOR A BEST PRACTICES PLAN FOR SCHOOL FACILITIES;
39 REPEALING SECTION 33-1018B, IDAHO CODE, RELATING TO SCHOOL BUILDING
40 MAINTENANCE MATCHING FUNDS; REPEALING SECTION 33-1019, IDAHO CODE,
41 RELATING TO A REQUIRED ALLOCATION FOR SCHOOL BUILDING MAINTENANCE;
42 REPEALING SECTION 39-8006A, IDAHO CODE, RELATING TO A BEST PRACTICES
43 MAINTENANCE PLAN FOR SCHOOL BUILDINGS; AMENDING SECTION 57-810, IDAHO
44 CODE, TO REVISE PROVISIONS REGARDING DISTRIBUTION OF CERTAIN EXCESS
45

1 FUNDS FOR PROPERTY TAX RELIEF; AMENDING SECTION 57-811, IDAHO CODE,
 2 TO REVISE PROVISIONS REGARDING THE TAX RELIEF FUND; AMENDING SECTION
 3 63-724, IDAHO CODE, TO REVISE PROVISIONS REGARDING HOMEOWNER PROPERTY
 4 TAX RELIEF; AMENDING SECTION 63-2520, IDAHO CODE, TO REMOVE A PROVISION
 5 REGARDING A CERTAIN DISTRIBUTION TO THE GENERAL FUND; AMENDING SECTION
 6 63-3638, IDAHO CODE, TO PROVIDE FOR CERTAIN SALES TAX DISTRIBUTIONS;
 7 AMENDING SECTION 67-5771A, IDAHO CODE, TO REVISE PROVISIONS REGARD-
 8 ING THE DISTRIBUTION OF UNEXPENDED FUNDS; AMENDING SECTION 67-6409,
 9 IDAHO CODE, TO PROVIDE THAT THE STATE BUILDING AUTHORITY MAY ISSUE
 10 BONDS RELATED TO THE SCHOOL MODERNIZATION FACILITIES FUND AND TO MAKE
 11 TECHNICAL CORRECTIONS; AMENDING SECTION 67-7434, IDAHO CODE, TO REVISE
 12 PROVISIONS REGARDING THE DISTRIBUTION OF LOTTERY INCOME; AMENDING SEC-
 13 TION 33-356, IDAHO CODE, TO REMOVE CODE REFERENCES; AMENDING SECTION
 14 33-1018C, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; AMENDING
 15 SECTION 33-1102, IDAHO CODE, TO REMOVE A PROVISION REGARDING CERTAIN
 16 BONDS; AMENDING SECTION 40-718, IDAHO CODE, TO PROVIDE A CORRECT CODE
 17 REFERENCE; AND DECLARING AN EMERGENCY, PROVIDING RETROACTIVE APPLICA-
 18 TION, AND PROVIDING EFFECTIVE DATES.

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

20 SECTION 1. LEGISLATIVE FINDINGS AND INTENT. (1) The Legislature finds
 21 that the burden of taxation on the people of Idaho is too great.

22 (2) The Legislature further finds that the primary drivers of this bur-
 23 den are the need for school districts to resort to property taxes to pay for
 24 the construction and repair of school facilities and an income tax rate that
 25 is in the second highest quintile among states.

26 (3) Therefore, it is the intent of the Legislature to amend state law to
 27 provide income tax relief and reduce the need for and likelihood of school
 28 districts resorting to property taxes to meet their school facility needs,
 29 including by restricting opportunities to increase school property taxes
 30 and directing additional state tax revenues to school facilities, while
 31 ensuring accountability for the same.

32 SECTION 2. That Section 63-3024, Idaho Code, be, and the same is hereby
 33 amended to read as follows:

34 63-3024. INDIVIDUALS' TAX AND TAX ON ESTATES AND TRUSTS. (1) For each
 35 taxable year, a tax measured by Idaho taxable income as defined in this chap-
 36 ter is hereby imposed upon every individual, trust, or estate required by
 37 this chapter to file a return.

38 (2) (a) The tax imposed upon individuals, trusts, and estates shall be
 39 computed at the rate of ~~five and eight-tenths percent (5.8%)~~ five and
 40 six hundred ninety-five thousandths percent (5.695%) of taxable income
 41 over two thousand five hundred dollars (\$2,500).

42 (b) For taxpayers filing a joint return pursuant to the provisions
 43 of section 63-3031, Idaho Code, the tax imposed shall be computed at
 44 the rate of ~~five and eight-tenths percent (5.8%)~~ five and six hundred
 45 ninety-five thousandths percent (5.695%) of taxable income over five
 46 thousand dollars (\$5,000). For the purposes of this section, a return
 47 of a surviving spouse, as defined in section 2(a) of the Internal Rev-

1 enue Code, and a head of household, as defined in section 2(b) of the
2 Internal Revenue Code, shall be treated as a joint return.

3 (3) For taxable year 2000 and each year thereafter, the state tax com-
4 mission shall prescribe a factor that shall be used to compute the Idaho in-
5 come tax thresholds provided in subsection (2) of this section. The factor
6 shall provide an adjustment to the Idaho tax thresholds so that inflation
7 will not result in a tax increase. The Idaho tax thresholds shall be adjusted
8 as follows: multiply the last threshold amount by the percentage (the con-
9 sumer price index for the calendar year immediately preceding the calendar
10 year to which the adjusted threshold amount will apply divided by the con-
11 sumer price index for calendar year 1998). For the purpose of this computa-
12 tion, the consumer price index for any calendar year is the average of the
13 consumer price index as of the close of the twelve (12) month period for the
14 immediately preceding calendar year, without regard to any subsequent ad-
15 justments, as adopted by the state tax commission. This adoption shall be
16 exempt from the provisions of chapter 52, title 67, Idaho Code. The consumer
17 price index shall mean the consumer price index for all U.S. urban consumers
18 published by the United States department of labor. The state tax commission
19 shall annually include the factor as provided in this subsection to multiply
20 against Idaho taxable income using the thresholds in this section to arrive
21 at that year's Idaho taxable income for tax threshold purposes.

22 (4) In the case of a trust that is an electing small business trust as
23 defined in section 1361 of the Internal Revenue Code, the special rules for
24 taxation of such trusts contained in section 641 of the Internal Revenue Code
25 shall apply, except that the individual rate provided in subsection (2) (a)
26 of this section shall apply in computing tax due under this chapter.

27 (5) The state tax commission may promulgate rules defining the condi-
28 tions upon which such returns shall be filed.

29 SECTION 3. That Section 63-3025, Idaho Code, be, and the same is hereby
30 amended to read as follows:

31 63-3025. TAX ON CORPORATE INCOME. (1) For each taxable year, a tax is
32 hereby imposed on the Idaho taxable income of a corporation, other than an
33 S corporation, that transacts or is authorized to transact business in this
34 state or has income attributable to this state. The tax shall be equal to
35 ~~five and eight-tenths percent (5.8%)~~ five and six hundred ninety-five thou-
36 sandths percent (5.695%) of Idaho taxable income.

37 (2) In the case of an S corporation that is required to file a return un-
38 der section 63-3030, Idaho Code, a tax is hereby imposed at the rate provided
39 in subsection (1) of this section upon both:

40 (a) Net recognized built-in gain attributable to this state. The
41 amount of net recognized built-in gain attributable to this state shall
42 be computed in accordance with section 1374 of the Internal Revenue
43 Code subject to the apportionment and allocation provisions of section
44 63-3027, Idaho Code; and

45 (b) Excess net passive income attributable to this state. The amount of
46 excess net passive income attributable to this state shall be computed
47 in accordance with section 1375 of the Internal Revenue Code subject to
48 the apportionment and allocation provisions of section 63-3027, Idaho
49 Code.

1 (3) The tax imposed by subsection (1) or (2) of this section shall not be
 2 less than twenty dollars (\$20.00); provided that the twenty-dollar (\$20.00)
 3 minimum payment shall not be collected from nonproductive mining corpora-
 4 tions.

5 (4) The tax imposed by this section shall not apply to corporations
 6 taxed pursuant to the provisions of section 63-3025A, Idaho Code.

7 SECTION 4. That Section 33-911, Idaho Code, be, and the same is hereby
 8 amended to read as follows:

9 33-911. SCHOOL DISTRICT FACILITIES FUND. (1) There is hereby created
 10 in the state treasury the school district facilities fund. The fund shall
 11 consist of moneys provided pursuant to sections 57-811, ~~and~~ 63-3638, ~~and~~
 12 67-7434, Idaho Code, and any ~~other~~ legislative transfers or appropriations.
 13 Interest earned from the investment of moneys in the fund shall be returned
 14 to the fund.

15 (2) The moneys in the fund shall be distributed by the state controller
 16 to the state department of education by August 1 each year for the purpose
 17 of construction or renovation of school facilities. The moneys shall be
 18 distributed by the state department of education to each school district,
 19 as defined in section 33-1001(21), Idaho Code, ~~on a per-pupil basis, first~~
 20 as provided in subsection (7) of this section and then on a per-pupil ba-
 21 sis using the average daily attendance calculation provided in section
 22 33-1003A, Idaho Code, except that a student attending less than half-time
 23 through a virtual learning program shall not be counted toward that school
 24 district's average daily attendance calculation for each student in kinder-
 25 garden through grade 12 at physical facilities that are part of and on school
 26 grounds of the school district in which the student is enrolled with verifi-
 27 cation, as needed, by the office of the state board of education. Upon formal
 28 approval by the state board of education, a school district may receive an
 29 exemption to the physical facility requirement pursuant to this subsec-
 30 tion if the student would have attended a physical facility in the school
 31 district if not for a stated emergency. The state department of education
 32 shall transfer the moneys by no later than August 31 each year to each school
 33 district. Such moneys shall be used in place of property tax levy moneys and
 34 shall be expended by a school district for one (1) or more of the purposes set
 35 forth in paragraphs (a) through (d) of this subsection. Moneys in the fund
 36 must be used by a school district in the following order of priority:

37 (a) Payment of existing school bonds authorized pursuant to chapter 11,
 38 title 33, Idaho Code;

39 (b) Payment of supplemental school levies authorized pursuant to sec-
 40 tion 33-802, Idaho Code, excluding indefinite term supplemental levies
 41 described in section 33-802(5), Idaho Code;

42 ~~Saved in a reserve account by the school district for future school~~
 43 ~~facility construction or renovation needs~~ Payment of school plant fa-
 44 cility levies authorized pursuant to sections 33-804 and 33-804A, Idaho
 45 Code; and

46 ~~For use in securing and making payments on a new school facilities~~
 47 ~~bond~~ Any moneys that remain following the payments provided in para-
 48 graphs (a) through (c) of this subsection may be: used for construction
 49 of a new school facility, renovation, or maintenance needs; used to

1 secure and make payments on a new school facilities bond; or saved in
 2 a reserve account by the school district for future school facility
 3 needs. Uses of funds shall include regular and routine facilities
 4 maintenance, including preventive maintenance, building repairs, and
 5 building security, and periodic major facilities projects that involve
 6 planning, design, construction, renovation, retrofitting, and replac-
 7 ing of buildings and building systems, components, and features, as
 8 well as site acquisition, site improvements, and new construction.

9 (3) The amount of moneys received by a school district pursuant to this
 10 section must be deducted from a school levy that would otherwise have been
 11 paid by property taxpayers. Such moneys may not be duplicated by the collec-
 12 tion of property tax, and no property taxes may be collected in order to make
 13 extra payments on expenses described in subsection (2) of this section in ex-
 14 cess of required amounts.

15 (4) Each school district shall identify the amount received in the cur-
 16 rent year pursuant to this section in the certification of its budget in ac-
 17 cordance with section 63-803, Idaho Code. Said amount must be subtracted
 18 from the amount to be levied. The amount of moneys thereby saved from being
 19 collected by a property tax levy shall be reported on each property tax no-
 20 tice pursuant to section 63-902, Idaho Code.

21 (5) Each school district shall report annually to the state department
 22 of education, in a manner prescribed by it, on the expenditure of moneys it
 23 has received pursuant to this section. The state department of education
 24 shall present the reports to the legislature each January.

25 (6) For the purposes of this section, the Idaho school for the deaf and
 26 the blind shall be considered a school district and shall receive a distribu-
 27 tion based on the average daily attendance of the school.

28 (7) For state fiscal years 2025 and 2026 only, any school district that
 29 would have received support from the bond levy equalization support program
 30 for a qualified bond passed prior to January 1, 2024, and for which property
 31 taxes were levied in property tax year 2024 pursuant to the amount intended
 32 by the bond shall receive a distribution of funds from the distribution pro-
 33 vided under subsection (2) of this section of at least as much as would have
 34 been provided through bond levy equalization support on July 1, 2024. The
 35 state department of education may adjust distributions for remaining dis-
 36 tricts proportionally as necessary pursuant to this paragraph. On and af-
 37 ter July 1, 2024, school districts may use funds provided in this section and
 38 section 33-913, Idaho Code, to offset the bond levy equalization support.

39 SECTION 5. That Section 33-102A, Idaho Code, be, and the same is hereby
 40 amended to read as follows:

41 33-102A. OFFICE OF THE STATE BOARD -- EXECUTIVE OFFICER -- APPOINTMENT
 42 -- COMPENSATION -- DUTIES AND POWERS. (1) There is hereby created as an ex-
 43 ecutive agency of the state board of education the office of the state board
 44 of education. ~~The state board of education governor~~ is hereby authorized to
 45 appoint an executive officer of the state board who shall serve at the plea-
 46 sure of the ~~state board governor~~ and shall receive such salary as fixed by the
 47 ~~state board governor~~. ~~The executive secretary may be appointed as the execu-~~
 48 ~~tive officer.~~

1 (2) The executive officer shall, under the direction of the state
 2 board, have such duties and powers as prescribed by the said board of regents
 3 and the state board of education, not otherwise assigned by law.

4 (3) The executive officer shall, together with the president of the
 5 state board of education, submit an annual report to the legislature no later
 6 than January 15 of each year, detailing the uses and impact of the school
 7 modernization facilities fund.

8 SECTION 6. That Section 33-104, Idaho Code, be, and the same is hereby
 9 amended to read as follows:

10 33-104. MEETINGS OF THE BOARD -- HONORARIUM -- EXPENSES -- ORGANIZA-
 11 TION. (1) The state board shall hold no less than four (4) regular meetings
 12 annually at such time and place as may be directed by the board. Special
 13 meetings may be called by the president at any time and place designated in
 14 such call.

15 (2) Each member shall be compensated as provided by section 59-509(h),
 16 Idaho Code.

17 (3) The president of the board shall be selected by the governor.

18 (4) At its first meeting after the first day of April, in each year, the
 19 state board shall organize and shall elect from its membership a president, a
 20 vice president and a secretary. the president shall select a vice president
 21 and secretary.

22 SECTION 7. That Section 34-106, Idaho Code, be, and the same is hereby
 23 amended to read as follows:

24 34-106. LIMITATION UPON ELECTIONS. On and after January 1, 2011,
 25 notwithstanding any other provisions of the law to the contrary, there shall
 26 be no more than two (2) elections conducted in any county in any calendar
 27 year, except as provided in this section or section 34-220, Idaho Code, and
 28 except that elections to fill vacancies in the United States house of repre-
 29 sentatives shall be held as provided in the governor's proclamation.

30 (1) The dates on which elections may be conducted are:

31 (a) The third Tuesday in May of each year; and

32 (b) The Tuesday following the first Monday in November of each year.

33 (c) In addition to the elections specified in paragraphs (a) and (b) of
 34 this subsection and subsection (7) of this section, an emergency elec-
 35 tion may be called upon motion of the governing board of a political sub-
 36 division. An emergency exists when there is a great public calamity,
 37 such as an extraordinary fire, flood, storm, epidemic, or other disas-
 38 ter, or when it is necessary to do emergency work to prepare for national
 39 or local defense or to safeguard life, health or property.

40 (2) Candidates for office elected in May shall take office on the date
 41 specified in the certificate of election but not more than sixty (60) days
 42 following the election.

43 (3) Candidates for office elected in November shall take office as pro-
 44 vided in the constitution or on January 1 next succeeding the November elec-
 45 tion.

46 (4) The governing board of each political subdivision subject to the
 47 provisions of this section that, prior to January 1, 2011, conducted an elec-

1 tion for members of that governing board on a date other than a date permit-
 2 ted in subsection (1) of this section shall establish as the election date
 3 for that political subdivision the date authorized in subsection (1) of this
 4 section that falls nearest the date on which elections were previously con-
 5 ducted, unless another date is established by law.

6 (5) The secretary of state is authorized to provide such assistance as
 7 necessary and to prescribe any needed rules or interpretations for the con-
 8 duct of election authorized under the provisions of this section.

9 (6) Water districts governed by chapter 6, title 42, Idaho Code, are ex-
 10 empt from the provisions of this section.

11 (7) Community colleges governed by chapter 21, title 33, Idaho Code,
 12 and school districts are subject to the limitations specified in subsection
 13 (1) of this section, ~~except that school districts may also hold an election~~
 14 ~~on the last Tuesday in August of each year on bonded indebtedness and prop-~~
 15 ~~erty tax levy questions.~~

16 (8) A city initiative or referendum election shall be held on the Tues-
 17 day following the first Monday in November of odd-numbered years. A county
 18 initiative or referendum election or a bond, levy and any other ballot ques-
 19 tion elections conducted by any political subdivision shall be held on the
 20 nearest date authorized in subsection (1) of this section that falls more
 21 than sixty (60) days after the clerk of the political subdivision orders that
 22 such election shall be held in May or November of even-numbered years or more
 23 than fifty (50) days after the order for all other elections, unless other-
 24 wise provided by law. Ballot language for any question to be placed on the
 25 ballot shall be submitted to the county clerk at least sixty (60) days before
 26 an election held in May or November of even-numbered years and at least fifty
 27 (50) days before all other elections.

28 (9) Recall elections may be held on any of the three (3) dates autho-
 29 rized in subsections (1) and (7) of this section that fall more than forty-
 30 five (45) days after the clerk of the political subdivision orders that such
 31 election shall be held.

32 (10) Irrigation districts governed by title 43, Idaho Code, are subject
 33 to the limitations specified in subsection (1) of this section, except that
 34 irrigation districts may also hold an election on the first Tuesday in Febru-
 35 ary of each year and on the first Tuesday in August of each year on questions
 36 required to be voted upon by title 43, Idaho Code.

37 SECTION 8. That Section 33-802A, Idaho Code, be, and the same is hereby
 38 amended to read as follows:

39 33-802A. COMPUTATION OF BOND AND BOND INTEREST LEVIES. When the board
 40 of trustees of any school district determines and makes a levy allowed by
 41 section 33-802, Idaho Code, and incorporates such levy as a part of the
 42 school district's budget to service all maturing bond and bond interest
 43 payments for the ensuing fiscal property tax year, it shall take into consid-
 44 eration ~~any state bond levy equalization funds provided pursuant to section~~
 45 ~~33-906, Idaho Code, and any balances remaining or that may remain in its~~
 46 bond interest and redemption fund after meeting its bond and bond interest
 47 obligations for its current fiscal property tax year. The levy so made for
 48 the ensuing fiscal property tax year shall be an amount which, together with
 49 ~~any state bond levy equalization funds provided pursuant to section 33-906,~~

1 ~~Idaho Code, and the balance in its bond interest and redemption fund remain-~~
 2 ~~ing after meeting its current fiscal property tax year bond and bond interest~~
 3 ~~obligations, shall satisfy all maturing bond and bond interest payments~~
 4 ~~for at least the ensuing twelve (12) months, and not to exceed the ensuing~~
 5 ~~twenty-one (21) months counted from July 1 of the current calendar year month~~
 6 ~~property tax year, but shall not exceed one hundred twenty percent (120%)~~
 7 ~~of the amount required for the payments for the ensuing twelve (12) month~~
 8 ~~property tax year.~~

9 SECTION 9. That Section [33-905](#), Idaho Code, be, and the same is hereby
 10 repealed.

11 SECTION 10. That Section [33-906](#), Idaho Code, be, and the same is hereby
 12 repealed.

13 SECTION 11. That Section [33-906A](#), Idaho Code, be, and the same is hereby
 14 repealed.

15 SECTION 12. That Section [33-906B](#), Idaho Code, be, and the same is hereby
 16 repealed.

17 SECTION 13. That Section 33-907, Idaho Code, be, and the same is hereby
 18 amended to read as follows:

19 33-907. PUBLIC EDUCATION STABILIZATION FUND. ~~(1)~~ There is hereby cre-
 20 ated in the state treasury a fund to be known as the public education sta-
 21 bilization fund, which shall function as a fund detail of the public school
 22 income fund. The fund shall consist of moneys transferred to the fund ac-
 23 cording to the provisions of sections ~~33-905~~, 33-1018 and 33-1018C, Idaho
 24 Code, and any other moneys made available through legislative transfers or
 25 appropriations. Moneys in the fund are hereby continuously appropriated for
 26 the purposes stated in sections 33-1018 and ~~33-1018B~~, Idaho Code, and shall
 27 only be expended for the purposes stated in sections 33-1018, and 33-1018A
 28 and 33-1018B, Idaho Code. Any accumulated balances in the fund that are in
 29 excess of ~~eight and one-third percent (8.334%)~~ fifteen percent (15%) of the
 30 current fiscal year's total appropriation of state funds for public school
 31 support shall be transferred to the ~~bond levy equalization~~ school district
 32 facilities fund. Interest earned from the investment of moneys in the fund
 33 shall be retained in the fund.

34 ~~(2) For the period July 1, 2021, through June 30, 2023, no moneys from~~
 35 ~~the public education stabilization fund shall be withdrawn for any purpose,~~
 36 ~~including those in sections 33-1018, 33-1018A, and 33-1018B, Idaho Code, and~~
 37 ~~any other law or rule to the contrary, for encumbered obligations and un-~~
 38 ~~encumbered expenditures associated with state funds appropriated for fis-~~
 39 ~~eal year 2022. The state department of education shall prorate any negative~~
 40 ~~variance pursuant to section 33-1018, Idaho Code, by a formula prescribed by~~
 41 ~~the state department of education.~~

42 SECTION 14. That Chapter 9, Title 33, Idaho Code, be, and the same is
 43 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 44 ignated as Section 33-912, Idaho Code, and to read as follows:

1 33-912. SCHOOL MODERNIZATION FACILITIES FUND. (1) There is hereby
2 created in the state treasury the school modernization facilities fund. The
3 fund shall consist of moneys provided pursuant to section 63-3638(19), Idaho
4 Code.

5 (2) Moneys in the fund are hereby continuously appropriated solely for
6 the purpose of making annualized distributions to school districts electing
7 to receive distributions and for paying the principal, interest, and other
8 amounts required for education bonds issued by the Idaho state building au-
9 thority for the state department of education in accordance with the provi-
10 sions of this chapter.

11 (3) Moneys in the fund shall be paid by the state department of edu-
12 cation to districts electing annual distributions and to the Idaho state
13 building authority as required for annual debt service and other expenses
14 relating to the bonds issued pursuant to section 33-913, Idaho Code.

15 (4) The state treasurer shall invest the idle moneys of the school mod-
16 ernization facilities fund, and the interest earned on such investment shall
17 be retained by the school modernization facilities fund.

18 SECTION 15. That Chapter 9, Title 33, Idaho Code, be, and the same is
19 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
20 ignated as Section 33-913, Idaho Code, and to read as follows:

21 33-913. ISSUANCE OF BONDS -- SCHOOL MODERNIZATION FACILITIES
22 FUND. (1) The Idaho state building authority is hereby authorized to issue
23 bonds from time to time as needed for the state department of education,
24 secured by unobligated moneys in the school modernization facilities fund
25 established in section 33-912, Idaho Code, for the purpose of providing
26 funds to the state department of education for distribution to eligible
27 school districts as provided in this section.

28 (2) Bonds shall be issued with maturities of no more than ten (10) years
29 from the date of issuance.

30 (3) (a) The annual debt service and related expenses of the Idaho state
31 building authority for bonds issued under this section may not exceed
32 the amount available from continuing appropriations of the school mod-
33 ernization facilities fund minus the annualized distributions elected
34 by school districts.

35 (b) In times of economic recession in which sales tax receipts fall be-
36 low prior year levels, the legislature may consider temporarily ceasing
37 annualized distributions for those districts electing such annualized
38 distributions. In the case of school districts that elect a lump sum,
39 annual debt service and related expenses of such bonds may be covered
40 during the economic recession by withholding other payments that would
41 be made available to the district in response to the economic recession,
42 such as distributions of rainy day funds or federal recovery funds.

43 SECTION 16. That Chapter 9, Title 33, Idaho Code, be, and the same is
44 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
45 ignated as Section 33-914, Idaho Code, and to read as follows:

46 33-914. ANNUALIZED OR LUMP SUM DISTRIBUTION -- SCHOOL MODERNIZATION
47 FACILITIES FUND. (1) School districts may elect to receive their distribu-

1 tion as a lump sum from the net proceeds of the bonds paid to the state de-
2 partment of education. School districts may alternatively request to re-
3 ceive their distribution in annualized amounts, which shall be subject to
4 the order of priority specified for the school district facilities fund es-
5 tablished in section 33-911, Idaho Code. The state department of education
6 shall establish a process for school districts to elect a lump sum or an-
7 nualized distribution or a combination thereof in alignment with the dates
8 specified in section 33-911, Idaho Code. Annualized distributions shall be
9 distributed to school districts no later than August 31 each year, to those
10 school districts electing such distributions prior to that date.

11 (2) If a school district elects not to receive either an annualized dis-
12 tribution or a lump sum amount or fails to make a selection by July 1, 2025,
13 the amount the school district would have received shall be transferred to
14 the school district facilities fund created in section 33-911, Idaho Code,
15 for distribution to all schools according to the provisions of section
16 33-911, Idaho Code.

17 SECTION 17. That Chapter 9, Title 33, Idaho Code, be, and the same is
18 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
19 ignated as Section 33-915, Idaho Code, and to read as follows:

20 33-915. FIXED DISTRIBUTION -- SCHOOL MODERNIZATION FACILITIES
21 FUND. (1) The state department of education shall establish a fixed distri-
22 bution of funds to be made available for voluntary election to each school
23 district subject to the conditions in this section.

24 (a) The distribution shall be calculated in state fiscal year 2025 for
25 each school district, as defined in section 33-1001(21), Idaho Code,
26 that is in operation as of July 1, 2024.

27 (b) The distribution shall be calculated by multiplying the following
28 two (2) factors, both of which shall be based on the most recent data
29 available in the state fiscal year coinciding with the distribution
30 calculation:

31 (i) Calculate the per-pupil amount, using the average daily at-
32 tendance calculation provided in section 33-1003A, Idaho Code,
33 for each student in kindergarten through grade 12 at physical
34 facilities that are part of and on school grounds of the school
35 district in which the student is enrolled with verification, as
36 needed, by the office of the state board of education. Upon formal
37 approval by the state board of education, a school district may re-
38 ceive an exemption to the physical facility requirement pursuant
39 to this subsection if the student would have attended a physical
40 facility in the school district if not for a stated emergency; and
41 (ii) Calculate, together with the Idaho state building authority,
42 the total amount that a bond issuance would generate, based on the
43 amount established in section 63-3638(19), Idaho Code.

44 (c) In no case shall the amount awarded to any school district be less
45 than twenty-five thousand dollars (\$25,000) over the ten (10) year pe-
46 riod.

47 (d) In no case shall the amount awarded to any school district with an
48 active charter district maintenance and operation levy pursuant to sec-
49 tion 33-802(6), Idaho Code, or a charter district supplemental mainte-

1 nance and operation levy pursuant to section 33-802(4), Idaho Code, ex-
2 ceed forty million dollars (\$40,000,000) over the ten (10) year period.
3 Excess funds shall be distributed proportionately according to the
4 factors established in paragraph (b) of this subsection to remaining
5 school districts that received initial allocations below forty million
6 dollars (\$40,000,000). Any districts receiving reallocations under
7 this paragraph shall not exceed forty million dollars (\$40,000,000).

8 (e) For the purposes of this section, the Idaho school for the deaf and
9 the blind shall be considered a school district and shall receive a dis-
10 tribution based on the average daily attendance of the school.

11 (2) The provisions of this section shall be null, void, and of no force
12 and effect on and after June 30, 2034.

13 SECTION 18. That Chapter 9, Title 33, Idaho Code, be, and the same is
14 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
15 ignated as Section 33-916, Idaho Code, and to read as follows:

16 33-916. ELIGIBILITY OF SCHOOL DISTRICTS FOR SCHOOL MODERNIZATION FA-
17 CILITIES FUND DISTRIBUTIONS. The state department of education shall not ap-
18 prove school district requests for annualized distributions or for distri-
19 bution from the applicable bond proceeds until the following conditions are
20 satisfied:

21 (1) The school district has submitted a ten (10) year facilities plan in
22 accordance with provisions of section 33-918, Idaho Code;

23 (2) The school district attests that if it operated on a five (5) day
24 school week during fiscal year 2024, it will not convert to a four (4) day
25 school week during the period for which the school district has elected
26 to receive funding from the school modernization facilities fund. If the
27 school district does convert from a five (5) day school week to a four (4) day
28 school week or if it operated on a four (4) day school week during fiscal year
29 2024, it must attest that it meets the minimum contract days and minimum stu-
30 dent instructional day requirements of the state board of education, which
31 requirements shall be implemented no later than August 1, 2024; and

32 (3) The school district attests compliance with the dignity and nondis-
33 crimination in public education requirements specified in section 33-138,
34 Idaho Code, and further attests that the school district does not require job
35 applicants to sign written diversity statements.

36 SECTION 19. That Chapter 9, Title 33, Idaho Code, be, and the same is
37 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
38 ignated as Section 33-917, Idaho Code, and to read as follows:

39 33-917. SCHOOL DISTRICT USE OF FUNDS -- SCHOOL MODERNIZATION FACILI-
40 TIES FUND.

41 (1) (a) Moneys distributed to a school district shall be used for school
42 facility construction, renovation, or maintenance needs or, in the case
43 of school districts electing annualized distributions, funds shall
44 be used subject to section 33-911, Idaho Code. Uses of funds shall
45 include regular and routine facilities maintenance, including preven-
46 tive maintenance, building repairs, and building security, and shall
47 also include periodic major facilities projects that involve plan-

1 ning, design, construction, renovation, retrofitting, and replacing
2 of buildings and building systems, components, and features, as well as
3 site acquisition, site improvements, and new construction.

4 (b) Any funds distributed by the state to school districts for facil-
5 ities must be used only for the purposes described in this subsection.
6 Any funds intended for facilities but used for another purpose shall
7 be returned to the state by the school district and deposited to the
8 state general fund. If the school district fails to return such funds,
9 an amount equivalent to the misused funds shall be deducted from the
10 state's next payment to the school district pursuant to this chapter or
11 chapter 52, title 33, Idaho Code.

12 (2) All funds shall be used for school facilities directly related to
13 the school district's core educational mission. No funds shall be used for
14 facilities with a primary athletic purpose.

15 (3) Each school district shall annually report to the state department
16 of education, in a manner prescribed by the state department of education, on
17 the planned and actual expenditure of moneys it has received pursuant to this
18 section.

19 (4) A model school facility council shall be created by July 1, 2024,
20 to research, adopt, and recommend a model school facility plan that schools
21 shall abide by when using school modernization facilities fund moneys pur-
22 suant to the plan adopted in paragraph (c) of this subsection. The council
23 shall:

24 (a) Be chaired by the executive director of the office of the state
25 board of education, with administrative support provided by the office
26 of the state board of education;

27 (b) Consist of nine (9) members, with three (3) members appointed by
28 the governor, three (3) members appointed by the speaker of the house of
29 representatives, and three (3) members appointed by the president pro
30 tempore of the senate; and

31 (c) Adopt a model school facility plan and submit it to the legislature
32 by July 1, 2026, that:

33 (i) Outlines a clear plan for school facility construction, in-
34 cluding standardization for elementary schools, middle schools,
35 and high schools;

36 (ii) Considers potential variability of school properties, ob-
37 jectives, and goals; and

38 (iii) Consults all necessary experts to develop a thorough plan
39 for school facilities to guide the use of funds from the school
40 modernization facilities fund.

41 SECTION 20. That Chapter 9, Title 33, Idaho Code, be, and the same is
42 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
43 ignated as Section 33-918, Idaho Code, and to read as follows:

44 33-918. BEST PRACTICES PLAN FOR SCHOOL FACILITIES. The state depart-
45 ment of education shall draft a best practices maintenance plan for school
46 facilities that shall be supplied to the superintendent of each school dis-
47 trict. Based on the best practices plan, each school district shall develop
48 a ten (10) year plan and submit it to the state department of education for
49 approval outlining its anticipated construction, renovation, and mainte-

1 nance needs. Such plan shall be submitted in advance of receiving a distri-
2 bution from the school modernization facilities fund, pursuant to the provi-
3 sions of this chapter. The plan shall outline the resources and steps neces-
4 sary for all school buildings in the school district to be in good or perfect
5 condition. The plan shall also take into consideration population trends
6 and changing preferences in the delivery of education within the school dis-
7 trict.

8 SECTION 21. That Section [33-1018B](#), Idaho Code, be, and the same is
9 hereby repealed.

10 SECTION 22. That Section [33-1019](#), Idaho Code, be, and the same is hereby
11 repealed.

12 SECTION 23. That Section [39-8006A](#), Idaho Code, be, and the same is
13 hereby repealed.

14 SECTION 24. That Section 57-810, Idaho Code, be, and the same is hereby
15 amended to read as follows:

16 57-810. CASH TRANSFERS FOR PROPERTY TAX RELIEF. Notwithstanding the
17 provisions of section 57-814, Idaho Code, after the close of each fiscal year
18 in 2023, 2024, and 2025, the state controller shall determine any excess cash
19 balance in the general fund. When calculating any excess cash balance, the
20 state controller shall first provide for the ending balance, as determined
21 by the legislative record, to be carried over into the next fiscal year, plus
22 an amount sufficient to cover encumbrances as approved by the division of fi-
23 nancial management and an amount sufficient to cover any reappropriation as
24 authorized by the legislature. On July 1, or as soon thereafter as is practi-
25 cable, of each such year, there is hereby appropriated one hundred fifty mil-
26 lion dollars (\$150,000,000) or the balance of the general fund excess cash
27 balance, whichever is less, to be transferred as follows:

28 (1) The state controller shall transfer the first fifty million dollars
29 (\$50,000,000) to the homeowner property tax relief account established pur-
30 suant to the provisions of section 63-724, Idaho Code; and

31 (2) The state tax commission shall transfer the remaining moneys to be
32 used for the purpose of property tax relief in the following manner. Fifty
33 percent (50%) of the remaining moneys shall be distributed to the school dis-
34 trict facilities fund established pursuant to section 33-911, Idaho Code,
35 and fifty percent (50%) shall be distributed to each county in the propor-
36 tion that the amount of property taxes levied for the current tax year and
37 approved pursuant to section 63-809, Idaho Code, on all taxable properties
38 in the county bears to the total amount of property taxes levied for the cur-
39 rent tax year and approved pursuant to section 63-809, Idaho Code, in all the
40 counties. This amount shall be certified to the county auditor and tax col-
41 lector by the state tax commission no later than the first Monday in Novem-
42 ber. Each county shall apply the moneys received as a credit on each prop-
43 erty owner's property tax bill in proportion to the amount of property taxes
44 on the property and shall distribute the moneys in the same manner as if they
45 were property taxes the homeowner property tax relief account established
46 pursuant to the provisions of section 63-724, Idaho Code.

1 SECTION 25. That Section 57-811, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 57-811. TAX RELIEF FUND. (1) There is hereby created in the state trea-
4 sury the tax relief fund to which shall be credited all moneys remitted from
5 sections 63-3620F and 63-3638, Idaho Code, from federal grants, donations,
6 or any other source. Moneys in the fund are intended to fund future tax re-
7 lief statutes enacted by the legislature and may be expended pursuant to ap-
8 propriation. All interest earned on the investment of idle moneys in the
9 fund shall be returned to the fund.

10 (2) For fiscal year 2025 and each fiscal year thereafter, twenty per-
11 cent (20%) of the moneys in the tax relief fund is continuously appropriated
12 and shall be transferred to the school district facilities fund established
13 pursuant to section 33-911, Idaho Code.

14 (3) For fiscal year ~~2024~~ 2025 and each fiscal year thereafter, the state
15 controller shall transfer ~~thirty-six million dollars (\$36,000,000)~~ thirty-
16 nine million dollars (\$39,000,000) from the tax relief fund to the state pub-
17 lic defense fund established pursuant to section 57-827, Idaho Code.

18 (4) For fiscal year 2023 and each fiscal year thereafter, the state
19 controller shall transfer the remaining balance of the fund or two hundred
20 thirty-six million dollars (\$236,000,000), whichever is less, from the tax
21 relief fund to the general fund.

22 SECTION 26. That Section 63-724, Idaho Code, be, and the same is hereby
23 amended to read as follows:

24 63-724. HOMEOWNER PROPERTY TAX RELIEF. (1) It is the intent of the
25 legislature to provide property tax relief on owner-occupied properties in
26 Idaho receiving the homestead property tax exemption pursuant to section
27 63-602G, Idaho Code, as of the second Monday in July each year by providing
28 state moneys as replacement funding as provided in this section. This sec-
29 tion does not apply to occupancy taxes levied pursuant to section 63-317,
30 Idaho Code.

31 (2) For the purpose of this section:

32 (a) "Eligible property taxes" means all property tax levies on homes
33 receiving the homestead property tax exemption pursuant to section
34 63-602G, Idaho Code, as of the second Monday in July each year, ex-
35 cept for bonds, school district levies, plant facility levies, and any
36 voter-approved temporary levy for a specific duration. When calculat-
37 ing the eligible property taxes for the purpose of this section, the
38 taxable value of each property shall include the value of no more than
39 one (1) acre.

40 (b) "Homeowner property tax relief homestead" means a property receiv-
41 ing the homestead property tax exemption pursuant to section 63-602G,
42 Idaho Code, as of the second Monday in July each year.

43 (3) There is hereby created in the state treasury the homeowner prop-
44 erty tax relief account. Moneys in this account shall consist of moneys
45 transferred from the general fund and are continuously appropriated for
46 homeowner property tax relief pursuant to the provisions of this section.

47 (4) The county assessor shall prepare a homeowner property tax relief
48 roll, which shall be in addition to all other property rolls. By no later

1 than the ~~fourth~~ first Monday of ~~August~~ September each year, the homeowner
 2 property tax relief roll shall be certified by the county assessor to the
 3 county auditor ~~and to the state tax commission~~ in the manner prescribed by
 4 rules promulgated by the state tax commission. The homeowner property tax
 5 relief roll shall show:

6 (a) The name of the taxpayer;

7 (b) An accurate description of the homeowner property tax relief home-
 8 stead; and

9 (c) The property's current market value for assessment purposes.

10 (5) (a) The county auditor shall complete the homeowner property tax re-
 11 lief roll by adding the following information:

12 (i) The ~~current~~ immediate prior year's eligible levy for the tax
 13 code area in which the property is situated;

14 (ii) The estimated amount of eligible property taxes levied
 15 calculated by applying the levy in subparagraph (i) of this para-
 16 graph to the current year's market value for assessment purposes
 17 on each qualifying homestead; and

18 (iii) The total estimated amount of eligible property taxes ~~levied~~
 19 on all properties within the county that are receiving the home-
 20 stead property tax exemption as of the second Monday in July of
 21 ~~each~~ the current year.

22 (b) By no later than the ~~fourth~~ second Monday of ~~October~~ September each
 23 year, the county auditor shall certify the completed homeowner property
 24 tax relief roll to the state tax commission in the manner prescribed by
 25 rules promulgated by the state tax commission.

26 (6) The state tax commission shall determine the total number of home-
 27 owner property tax relief homesteads to be allowed in each county, the
 28 dollar amount of eligible property taxes for each homeowner property tax
 29 relief homestead allowed, and the total dollar amount of eligible property
 30 taxes for all homeowner property tax relief homesteads within each county
 31 from the amounts certified on the homeowner property tax relief roll. The
 32 state tax commission shall divide the moneys in the homeowner property tax
 33 relief account as of August 1 each year by the total dollar amount of eli-
 34 gible property taxes levied on all such property tax relief homesteads in
 35 all counties, then multiply the result by the total amount of eligible prop-
 36 erty taxes levied on such homesteads in each county. Such amounts shall be
 37 summed for all eligible property tax relief homesteads in all counties to
 38 determine the total amount of estimated eligible property taxes. This sum
 39 shall be divided into the amount of moneys in the homeowner property tax
 40 relief account as of August 1 of each year. The result shall be multiplied
 41 by the total amount of estimated eligible property taxes on such homesteads
 42 in each county. This amount shall be certified to the county auditor and tax
 43 collector by the state tax commission no later than the ~~first~~ third Monday
 44 in ~~November~~ September. By no later than December 20 of each year, the state
 45 tax commission shall pay to the county tax collector of each county the first
 46 half of the amount due to each county as reimbursement for homeowner property
 47 tax relief as provided in this section and shall pay the second half of such
 48 amount by no later than June 20 of the following year.

49 (7) The state tax commission may audit each and every property on the
 50 homeowner property tax relief roll. If the state tax commission determines

1 that a homeowner property tax relief homestead credit is erroneous, the
2 state tax commission shall disapprove as much of the credit as necessary in
3 order to conform with statutory standards. The state tax commission shall
4 provide the homeowner written notice of the state tax commission's intent
5 to disapprove all or a portion of the credit. The homeowner shall have
6 twenty-eight (28) days to make written protest to the state tax commission
7 of the intended action. The homeowner may submit additional information and
8 may request an informal hearing with the state tax commission. If the home-
9 owner fails to make written protest within twenty-eight (28) days, the state
10 tax commission shall provide written notice of disapproval to both the home-
11 owner and the county auditor of the county in which the property is situated
12 by December 20. Any homeowner whose claim is disapproved in whole or in part
13 by the state tax commission may appeal such disapproval to the board of tax
14 appeals or to the district court of the county of residence of the taxpayer
15 within thirty (30) days.

16 (8) Each county treasurer shall apply the moneys received pursuant to
17 subsection (6) of this section to the eligible property taxes levied on the
18 properties listed on the certified homeowner property tax relief roll that
19 year. The moneys shall be designated as a line item credit against the to-
20 tal of all eligible property taxes on the property tax bill for each property
21 receiving the tax relief provided by this section. Such moneys shall be dis-
22 tributed in the same manner as property tax revenues.

23 (9) The amount of property tax relief for a homeowner's property taxes
24 shall be applied after the homestead exemption pursuant to section 63-602G,
25 Idaho Code, has been applied. The property tax relief amount cannot exceed
26 the actual amount of current eligible property taxes due on the homeowner's
27 property tax notice. No delinquent property taxes, penalties, interest, or
28 fines may be paid with moneys from this program.

29 (10) Nothing in this section shall prevent a homeowner from applying
30 for or receiving any other property tax relief provided pursuant to this
31 chapter. The property tax relief provided pursuant to this section shall be
32 credited to the homeowner's property tax bill before any other property tax
33 relief is applied, up to a maximum of the actual property taxes due on the
34 homeowner property tax relief homestead.

35 (11) Any amount of homeowner property tax relief moneys distributed by
36 the state tax commission to a county that exceeds the total amount of all el-
37 igible property taxes due from all homeowner property tax relief homesteads
38 in the county shall revert to the state general fund. The county treasurer
39 shall deposit such moneys with the state treasurer by the fourth Monday in
40 July each year for the preceding property tax year.

41 (12) Within three (3) years of payment, the state tax commission may re-
42 cover any erroneous or incorrect payment made to any homeowner receiving re-
43 lief under this section. The deficiency determination, collection, and en-
44 forcement procedures provided in chapter 30, title 63, Idaho Code, shall ap-
45 ply and be available to the state tax commission for enforcement and collec-
46 tion under this section. Wherever liens or any other proceedings are defined
47 as income tax liens or proceedings, they shall, when applied in enforcement
48 or collection under this section, be described as tax relief liens and pro-
49 ceedings. In connection with this section, a deficiency shall consist of any
50 amount erroneously paid on behalf of a homeowner under this section.

1 SECTION 27. That Section 63-2520, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 63-2520. DISTRIBUTION OF MONEYS COLLECTED. Revenues received from the
4 taxes imposed by this chapter, and any revenues received from licenses, per-
5 mits, penalties, interest, or deficiency additions, shall be distributed by
6 the state tax commission as follows:

7 (a) An amount of money shall be distributed to the state refund account
8 sufficient to pay current refund claims. All refunds authorized under this
9 chapter by the state tax commission shall be paid through the state refund
10 account, and those moneys are continuously appropriated.

11 (b) The balance remaining with the state treasurer after deducting the
12 amount described in subsection (a) of this section shall be distributed as
13 follows:

14 (1) Five million dollars (\$5,000,000) shall be distributed to the per-
15 manent building fund created by section 57-1108, Idaho Code.

16 (2) Three hundred sixty thousand dollars (\$360,000) shall be dis-
17 tributed to the central cancer registry fund and is subject to appropri-
18 ation as provided for in chapter 35, title 67, Idaho Code.

19 (3) Three hundred thousand dollars (\$300,000) shall be distributed to
20 the cancer control fund created by section 57-1702, Idaho Code, and is
21 subject to appropriation as provided for in chapter 35, title 67, Idaho
22 Code.

23 ~~(4) An amount equal to the annual general fund appropriation for~~
24 ~~bond levy equalization, less the amount distributed under section~~
25 ~~67-7434(1), Idaho Code, if applicable, pursuant to section 33-906,~~
26 ~~Idaho Code, shall be annually distributed to the general fund.~~

27 ~~(5)(4) All remaining moneys shall be distributed as follows: For fis-~~
28 ~~cal years on and after July 1, 2006, all moneys shall be distributed to~~
29 ~~the permanent building fund with the moneys to be used for the repair,~~
30 ~~remodel and restoration of the state capitol building and state facili-~~
31 ~~ties pertaining to the capitol restoration until such time as the capi-~~
32 ~~tol restoration is adequately funded as certified by the director of the~~
33 ~~department of administration. Thereafter, all remaining moneys shall~~
34 ~~be distributed in the following priority order:~~

35 (i) Four million seven hundred thousand dollars (\$4,700,000) to
36 be used for the purpose of paying the state match as required for
37 federal funds committed to pay the annual scheduled GARVEE debt
38 service until such time as the Idaho housing and finance associ-
39 ation certifies that any such bonds or notes are adequately paid
40 for, in accordance with chapter 62, title 67, Idaho Code;

41 (ii) Five million dollars (\$5,000,000) to the secondary aquifer
42 planning, management and implementation fund as established
43 in section 42-1780, Idaho Code. Such moneys shall be used for
44 statewide aquifer stabilization; and

45 (iii) All remaining moneys following distributions pursuant to
46 subparagraphs (i) and (ii) of this paragraph shall be distributed
47 to the transportation expansion and congestion mitigation fund
48 established in section 40-720, Idaho Code.

1 SECTION 28. That Section 63-3638, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 63-3638. SALES TAX -- DISTRIBUTION. All moneys collected under this
4 chapter, except as may otherwise be required in sections 63-3203, 63-3620F,
5 and 63-3709, Idaho Code, shall be distributed by the state tax commission as
6 follows:

7 (1) An amount of money shall be distributed to the state refund account
8 sufficient to pay current refund claims. All refunds authorized under this
9 chapter by the state tax commission shall be paid through the state refund
10 account, and those moneys are continuously appropriated.

11 (2) Five million dollars (\$5,000,000) per year is continuously appro-
12 priated and shall be distributed to the permanent building fund, provided by
13 section 57-1108, Idaho Code.

14 (3) Four million eight hundred thousand dollars (\$4,800,000) per year
15 is continuously appropriated and shall be distributed to the water pollution
16 control fund established by section 39-3628, Idaho Code.

17 (4) An amount equal to the sum required to be certified by the chair-
18 man of the Idaho housing and finance association to the state tax commis-
19 sion pursuant to section 67-6211, Idaho Code, in each year is continuously
20 appropriated and shall be paid to any capital reserve fund established by
21 the Idaho housing and finance association pursuant to section 67-6211, Idaho
22 Code. Such amounts, if any, as may be appropriated hereunder to the capital
23 reserve fund of the Idaho housing and finance association shall be repaid for
24 distribution under the provisions of this section, subject to the provisions
25 of section 67-6215, Idaho Code, by the Idaho housing and finance associa-
26 tion, as soon as possible, from any moneys available therefor and in excess
27 of the amounts the association determines will keep it self-supporting.

28 (5) An amount equal to the sum required by the provisions of sections
29 63-709 and 63-717, Idaho Code, after allowance for the amount appropriated
30 by section 63-718(3), Idaho Code, is continuously appropriated and shall be
31 paid as provided by sections 63-709 and 63-717, Idaho Code.

32 (6) An amount required by the provisions of chapter 53, title 33, Idaho
33 Code.

34 (7) An amount required by the provisions of chapter 87, title 67, Idaho
35 Code.

36 (8) For fiscal year 2011 and each fiscal year thereafter, four million
37 one hundred thousand dollars (\$4,100,000), of which two million two hundred
38 thousand dollars (\$2,200,000) shall be distributed to each of the forty-four
39 (44) counties in equal amounts and one million nine hundred thousand dol-
40 lars (\$1,900,000) shall be distributed to the forty-four (44) counties in
41 the proportion that the population of the county bears to the population of
42 the state. For fiscal year 2012 and for each fiscal year thereafter, the
43 amount distributed pursuant to this subsection shall be adjusted annually
44 by the state tax commission in accordance with the consumer price index for
45 all urban consumers (CPI-U) as published by the U.S. department of labor,
46 bureau of labor statistics, but in no fiscal year shall the total amount
47 allocated for counties under this subsection be less than four million one
48 hundred thousand dollars (\$4,100,000). Any increase resulting from the ad-
49 justment required in this section shall be distributed to each county in the

1 proportion that the population of the county bears to the population of the
2 state. Each county shall establish a special election fund to which shall
3 be deposited all revenues received from the distribution pursuant to this
4 subsection. All such revenues shall be used exclusively to defray the costs
5 associated with conducting elections as required of county clerks by the
6 provisions of section 34-1401, Idaho Code.

7 (9) One dollar (\$1.00) on each application for certificate of title
8 or initial application for registration of a motor vehicle, snowmobile,
9 all-terrain vehicle or other vehicle processed by the county assessor or the
10 Idaho transportation department, excepting those applications in which any
11 sales or use taxes due have been previously collected by a retailer, shall be
12 a fee for the services of the assessor of the county or the Idaho transporta-
13 tion department in collecting such taxes and shall be paid into the current
14 expense fund of the county or state highway account established in section
15 40-702, Idaho Code.

16 (10) Eleven and five-tenths percent (11.5%) of revenues collected un-
17 der this chapter, following any distributions required by sections 63-3203,
18 63-3620F, and 63-3709, Idaho Code, and by subsection (1) of this section, is
19 continuously appropriated and shall be distributed to the revenue-sharing
20 account, which is hereby created in the state treasury, and the moneys in the
21 revenue-sharing account will be paid in installments each calendar quarter
22 by the state tax commission as follows:

23 (a) Forty-five and two-tenths percent (45.2%) shall be paid to the var-
24 ious cities as follows:

25 (i) The revenue-sharing amount calculated by the state tax com-
26 mission for the various cities for each quarter of fiscal year 2020
27 shall be the base amount for current quarterly revenue distribu-
28 tion amounts. The state tax commission shall calculate the per
29 capita distribution for each city resulting from the previous fis-
30 cal year's distributions.

31 (ii) If there is no change in the amount of the revenue-sharing
32 account from the same quarter of the previous fiscal year, then the
33 various cities shall receive the same amount received for the same
34 quarter of the previous fiscal year.

35 (iii) If the balance of the revenue-sharing account for the cur-
36 rent quarter is greater than the balance of the revenue-sharing
37 account for the same quarter of the previous fiscal year, then:

38 1. If the distributions made to the cities during the same
39 quarter of the previous fiscal year were below the base
40 amount established in fiscal year 2020, then the various
41 cities shall first receive a proportional increase up to the
42 base amount for each city and up to a one-percent (1%) in-
43 crease over such base amount. Any remaining moneys shall be
44 distributed to cities with a below-average per capita dis-
45 tribution in the proportion that the population of that city
46 bears to the population of all cities with below-average per
47 capita distributions within the state.

48 2. If the distributions made to the cities during the same
49 quarter of the previous fiscal year were at or above the
50 base amount established in fiscal year 2020, then the cities

1 shall receive the same distribution they received during the
2 same quarter of the previous fiscal year plus a proportional
3 increase up to one percent (1%). Any remaining moneys shall
4 be distributed to the cities with a below-average per capita
5 distribution in the proportion that the population of that
6 city bears to the population of all cities with a below-aver-
7 age per capita distribution within the state.

8 (iv) If the balance of the revenue-sharing account for the cur-
9 rent quarter is less than the balance of the revenue-sharing ac-
10 count for the same quarter of the previous fiscal year, then the
11 cities shall first receive a proportional reduction down to the
12 base amount established in fiscal year 2020. If further reduc-
13 tions are necessary, the cities shall receive reductions based on
14 the proportion that each city's population bears to the population
15 of all cities within the state.

16 (b) Forty-seven and one-tenth percent (47.1%) shall be paid to the var-
17 ious counties as follows:

18 (i) Fifty-nine and eight-tenths percent (59.8%) of the amount to
19 be distributed under this paragraph (b) of this subsection shall
20 be distributed as follows:

21 1. One million three hundred twenty thousand dollars
22 (\$1,320,000) annually shall be distributed one forty-fourth
23 (1/44) to each of the various counties; and

24 2. The balance of such amount shall be paid to the various
25 counties, and each county shall be entitled to an amount in
26 the proportion that the population of that county bears to
27 the population of the state; and

28 (ii) Forty and two-tenths percent (40.2%) of the amount to be dis-
29 tributed under this paragraph (b) of this subsection shall be dis-
30 tributed as follows:

31 1. Each county that received a payment under the provisions
32 of section 63-3638(e), Idaho Code, as that subsection ex-
33 isted immediately prior to July 1, 2000, during the fourth
34 quarter of calendar year 1999, shall be entitled to a like
35 amount during succeeding calendar quarters.

36 2. If the dollar amount of money available under this sub-
37 section (10) (b) (ii) in any quarter does not equal the amount
38 paid in the fourth quarter of calendar year 1999, each
39 county's payment shall be reduced proportionately.

40 3. If the dollar amount of money available under this sub-
41 section (10) (b) (ii) in any quarter exceeds the amount paid
42 in the fourth quarter of calendar year 1999, each county
43 shall be entitled to a proportionately increased payment,
44 but such increase shall not exceed one hundred five percent
45 (105%) of the total payment made in the fourth quarter of
46 calendar year 1999.

47 4. If the dollar amount of money available under this sub-
48 section (10) (b) (ii) in any quarter exceeds one hundred five
49 percent (105%) of the total payment made in the fourth quar-
50 ter of calendar year 1999, any amount over and above such

1 one hundred five percent (105%) shall be paid to the various
2 counties in the proportion that the population of the county
3 bears to the population of the state; and

4 (c) Seven and seven-tenths percent (7.7%) of the amount appropriated in
5 this subsection shall be paid to the several counties for distribution
6 to special purpose taxing districts as follows:

7 (i) Each such district that received a payment under the provi-
8 sions of section 63-3638(e), Idaho Code, as such subsection ex-
9 isted immediately prior to July 1, 2000, during the fourth quarter
10 of calendar year 1999, shall be entitled to a like amount during
11 succeeding calendar quarters.

12 (ii) If the dollar amount of money available under this subsec-
13 tion (10) (c) in any quarter does not equal the amount paid in the
14 fourth quarter of calendar year 1999, each special purpose taxing
15 district's payment shall be reduced proportionately.

16 (iii) If the dollar amount of money available under this subsec-
17 tion (10) (c) in any quarter exceeds the amount distributed under
18 paragraph (c) (i) of this subsection, each special purpose taxing
19 district shall be entitled to a share of the excess based on the
20 proportion each such district's current property tax budget bears
21 to the sum of the current property tax budgets of all such dis-
22 tricts in the state. Each year, starting with the distribution
23 for the quarter ending December 31, the state tax commission shall
24 calculate this distribution based on the district's current prop-
25 erty tax budgets, including any unrecovered forgone amounts as de-
26 termined under section 63-802(1) (e), Idaho Code. When a special
27 purpose taxing district is situated in more than one (1) county,
28 the state tax commission shall determine the portion attributable
29 to the special purpose taxing district from each county in which it
30 is situated.

31 (iv) If special purpose taxing districts are consolidated, the
32 resulting district is entitled to a base amount equal to the sum of
33 the base amounts received in the last calendar quarter by each dis-
34 trict prior to the consolidation.

35 (v) If a special purpose taxing district is dissolved or disin-
36 corporated, the state tax commission shall continuously distrib-
37 ute to the board of county commissioners an amount equal to the
38 last quarter's distribution prior to dissolution or disincorpora-
39 tion. The board of county commissioners shall determine any re-
40 distribution of moneys so received.

41 (vi) Taxing districts formed after January 1, 2001, are not en-
42 titled to a payment under the provisions of this paragraph (c) of
43 this subsection.

44 (vii) For purposes of this paragraph (c) of this subsection, a spe-
45 cial purpose taxing district is any taxing district that is not a
46 city, a county, or a school district.

47 (viii) Special purpose taxing districts shall use funds received
48 under the provisions of this subsection only for the purposes for
49 which the special purpose taxing districts were formed.

1 (11) Amounts calculated in accordance with section 2, chapter 356, laws
2 of 2001, for annual distribution to counties and other taxing districts be-
3 ginning in October 2001 for replacement of property tax on farm machinery and
4 equipment exempted pursuant to section 63-602EE, Idaho Code. For nonschool
5 districts, the state tax commission shall distribute one-fourth (1/4) of
6 this amount certified quarterly to each county. For school districts, the
7 state tax commission shall distribute one-fourth (1/4) of the amount cer-
8 tified quarterly to each school district. For nonschool districts, the
9 county auditor shall distribute such amounts to each district within thirty
10 (30) calendar days from receipt of moneys from the state tax commission.
11 Moneys received by each taxing district for replacement shall be utilized
12 in the same manner and in the same proportions as revenues from property
13 taxation. The moneys remitted to the county treasurer for replacement of
14 property exempt from taxation pursuant to section 63-602EE, Idaho Code, may
15 be considered by the counties and other taxing districts and budgeted at the
16 same time, in the same manner, and in the same year as revenues from taxation
17 on personal property, which these moneys replace. If taxing districts are
18 consolidated, the resulting district is entitled to an amount equal to the
19 sum of the amounts received in the last calendar quarter by each district
20 pursuant to this subsection prior to the consolidation. If a taxing district
21 is dissolved or disincorporated, the state tax commission shall continu-
22 ously distribute to the board of county commissioners an amount equal to the
23 last quarter's distribution prior to dissolution or disincorporation. The
24 board of county commissioners shall determine any redistribution of moneys
25 so received. If a taxing district annexes territory, the distribution of
26 moneys received pursuant to this subsection shall be unaffected. Taxing
27 districts formed after January 1, 2001, are not entitled to a payment under
28 the provisions of this subsection. School districts shall receive an amount
29 determined by multiplying the sum of the year 2000 school district levy mi-
30 nus .004 times the market value on December 31, 2000, in the district of the
31 property exempt from taxation pursuant to section 63-602EE, Idaho Code, pro-
32 vided that the result of these calculations shall not be less than zero (0).
33 The result of these school district calculations shall be further increased
34 by six percent (6%). For purposes of the limitation provided by section
35 63-802, Idaho Code, moneys received pursuant to this section as property tax
36 replacement for property exempt from taxation pursuant to section 63-602EE,
37 Idaho Code, shall be treated as property tax revenues.

38 (12) Amounts necessary to pay refunds as provided in section 63-3641,
39 Idaho Code, to a developer of a retail complex shall be remitted to the demon-
40 stration pilot project fund created in section 63-3641, Idaho Code.

41 (13) Amounts calculated in accordance with section 63-602KK(4), Idaho
42 Code, for annual distribution to counties and other taxing districts for
43 replacement of property tax on personal property tax exemptions pursuant
44 to section 63-602KK(2), Idaho Code, which amounts are continuously ap-
45 propriated unless the legislature enacts a different appropriation for a
46 particular fiscal year. For purposes of the limitation provided by section
47 63-802, Idaho Code, moneys received pursuant to this section as property tax
48 replacement for property exempt from taxation pursuant to section 63-602KK,
49 Idaho Code, shall be treated as property tax revenues. If taxing districts
50 are consolidated, the resulting district is entitled to an amount equal to

1 the sum of the amounts that were received in the last calendar year by each
2 district pursuant to this subsection prior to the consolidation. If a taxing
3 district or revenue allocation area annexes territory, the distribution of
4 moneys received pursuant to this subsection shall be unaffected. Taxing
5 districts and revenue allocation areas formed after January 1, 2022, are not
6 entitled to a payment under the provisions of this subsection.

7 (14) For fiscal year 2023 only, a sum of thirty-four million dollars
8 (\$34,000,000) shall be distributed each year by the state tax commission to
9 the forty-four (44) counties in the proportion that the expenditures of each
10 county for indigent defense services during county fiscal year 2021, exclud-
11 ing any state funding or grants, bear to the expenditures of all counties
12 in the state for indigent defense services during county fiscal year 2021,
13 excluding any state funding or grants. No later than July 1, 2022, the state
14 public defense commission shall certify to the state tax commission each
15 county's proportionate share of all counties' indigent defense expenses in
16 county fiscal year 2021, excluding any state funding or grants.

17 (15) For fiscal year 2024 and each fiscal year thereafter, two and
18 twenty-five hundredths percent (2.25%) of revenues collected under this
19 chapter, following any distributions required by sections 63-3203,
20 63-3620F, and 63-3709, Idaho Code, and by subsections (1), (10), and (16)
21 of this section, is continuously appropriated and shall be distributed an-
22 nually to the homeowner property tax relief account established in section
23 63-724, Idaho Code.

24 (16) Four and five-tenths percent (4.5%) of revenues collected under
25 this chapter, following any distributions required by sections 63-3620F and
26 63-3709, Idaho Code, and by subsections (1) and (10) of this section, but no
27 less than eighty million dollars (\$80,000,000) and no more than one hundred
28 forty million dollars (\$140,000,000), shall be distributed as follows:

29 (a) Eighty million dollars (\$80,000,000) is continuously appropriated
30 and shall be distributed to the transportation expansion and congestion
31 mitigation fund established in section 40-720, Idaho Code; and

32 (b) The remaining moneys in excess of eighty million dollars
33 (\$80,000,000) provided for in this subsection is continuously ap-
34 propriated and shall be apportioned to local units of government for
35 local highway projects in the same percentages provided for in section
36 40-709(1) through (3), Idaho Code. Local units of government may pool
37 funds allocated to them pursuant to this paragraph for local highway
38 projects.

39 (17) Beginning in fiscal year 2024 and each fiscal year thereafter,
40 three hundred thirty million dollars (\$330,000,000) shall be distributed
41 annually to the public school income fund created in section 33-903, Idaho
42 Code, and eighty million dollars (\$80,000,000) shall be distributed annu-
43 ally to the in-demand careers fund established in section 72-1206, Idaho
44 Code. The state tax commission shall make such transfers in quarterly in-
45 stallments.

46 (18) For fiscal year 2024 and each fiscal year thereafter, ~~two~~ three and
47 twenty-five hundredths percent (~~2.25%~~) (3.25%) of revenues collected under
48 this chapter, following any distributions required by sections 63-3203,
49 63-3620F, and 63-3709, Idaho Code, and by subsections (1), (10), and (16) of
50 this section, is continuously appropriated and shall be distributed annu-

1 ally to the school district facilities fund established pursuant to section
2 33-911, Idaho Code.

3 (19) One hundred twenty-five million dollars (\$125,000,000) collected
4 under this chapter, following any distributions required by sections
5 63-3620F and 63-3709, Idaho Code, and by subsections (1), (10), (15), (16),
6 and (18) of this section is continuously appropriated and shall be dis-
7 tributed to the school modernization facilities fund established in section
8 33-912, Idaho Code. The state tax commission shall make such transfers in
9 quarterly installments.

10 ~~(19)~~ (20) Any moneys remaining over and above those necessary to meet
11 and reserve for payments under other subsections of this section shall be
12 distributed to the general fund.

13 SECTION 29. That Section 67-5771A, Idaho Code, be, and the same is
14 hereby amended to read as follows:

15 67-5771A. PUBLIC SCHOOL HEALTH INSURANCE PARTICIPATION FUND. (1)
16 There is hereby created in the state treasury the public school health insur-
17 ance participation fund. The fund is continuously appropriated to the state
18 department of education for the purpose of funding the actuarially estab-
19 lished onetime amount required for a public school to buy in to the state's
20 medical and dental group insurance plan. The fund shall consist of moneys
21 made available through legislative transfers, appropriations, or as other-
22 wise provided by law and shall be available for use only to publicly funded
23 K-12 educational institutions. Interest earnings from the investment of
24 moneys in the fund shall be returned to the fund.

25 (2) All moneys in the fund shall be used only for onetime expenses as-
26 sociated with accommodating participation into the state's health plan as
27 set forth in this section. The state department of education shall make pay-
28 ment or payments to the office of group insurance for this purpose within a
29 reasonable time of participants being identified. If demand exceeds avail-
30 able funds, the state department of education shall administer the fund on
31 a first-come, first-served basis. No funds may be expended prior to July 1,
32 2022, and any unexpended moneys remaining in the fund after June 30, 2025,
33 shall be transferred by the state controller to the ~~public education stabi-~~
34 ~~lization fund. If the public education stabilization fund is fully funded,~~
35 ~~then remaining funds shall be transferred to the general fund public charter~~
36 ~~school facilities program fund created in section 33-5218, Idaho Code.~~

37 SECTION 30. That Section 67-6409, Idaho Code, be, and the same is hereby
38 amended to read as follows:

39 67-6409. GENERAL POWERS OF THE AUTHORITY. The authority is hereby
40 granted, has and may exercise all powers necessary or appropriate to carry
41 out and effectuate its corporate purposes, including, without limitation,
42 the following:

- 43 (a) to sue and be sued in its own name;
44 (b) to have an official seal and to alter the same at pleasure;
45 (c) to have perpetual succession;
46 (d) to maintain an office at such place or places within this state as it
47 may designate;

1 (e) to adopt and from time to time amend and repeal bylaws and rules and
2 regulations, not inconsistent with this chapter, to carry into effect the
3 powers and purposes of the authority and the conduct of its business;

4 (f) to make and execute contracts and all other instruments necessary
5 or convenient for the exercise of its powers and functions;

6 (g) to acquire real or personal property, or any interest therein, on
7 either a temporary or long-term basis in the name of the authority by gift,
8 purchase, transfer, foreclosure, lease or otherwise including rights or
9 easements; hold, sell, assign, lease, encumber, mortgage or otherwise dis-
10 pose of any real or personal property, or any interest therein, or mortgage
11 interest owned by it or under its control, custody or in its possession and
12 release or relinquish any right, title, claim, lien, interest, easement
13 or demand however acquired, including any equity or right of redemption in
14 property foreclosed by it and to do any of the foregoing by public sale, with
15 such public bidding as shall be required by the provisions of any other law;

16 (h) to lease or rent any lands, buildings, structures, facilities or
17 equipment from private parties to effectuate the purposes of this act;

18 (i) to enter into agreements or other transactions with and accept
19 grants and the cooperation of the United States or any agency thereof or
20 of the state of Idaho or any agency or governmental subdivision thereof in
21 furtherance of the purposes of this act, including but not limited to the
22 development, maintenance, operation and financing of any facility and to do
23 any and all things necessary in order to avail itself of such aid and cooper-
24 ation;

25 (j) to receive and accept aid or contributions from any source of money,
26 property, labor or other things of value, to be held, used and applied to
27 carry out the purposes of this act subject to such conditions upon which such
28 grants and contributions may be made, including, but not limited to, gifts or
29 grants from any department or agency of the United States or this state or any
30 community college district for any purpose consistent with this act;

31 (k) to employ architects, engineers, attorneys, accountants, building
32 construction and financial experts and such other advisors, consultants and
33 agents as may be necessary in its judgment and to fix their compensation;

34 (l) to procure insurance against any loss in connection with its prop-
35 erty and other assets in such amounts and from such insurers as it deems de-
36 sirable;

37 (m) to invest any funds not needed for immediate use or disbursement,
38 including any funds held in reserve, in:

39 (1) bonds, notes and other obligations of the United States or any
40 agency or instrumentality thereof and other securities secured by such
41 bonds, notes or other obligation;

42 (2) money market funds which are insured or the assets of which are lim-
43 ited to obligations of the United States or any agency or instrumentality
44 thereof;

45 (3) time certificates of deposit and savings accounts;

46 (4) commercial paper which, at the time of its purchase, is rated in the
47 highest category by a nationally recognized rating service; and

48 (5) property or securities in which the state treasurer may invest
49 funds in the state treasury pursuant to section 67-1210, Idaho Code.

1 (n) to borrow money and issue bonds and notes or other evidences of in-
2 debtedness thereof as hereinafter provided;

3 (o) to the extent permitted under its contract with the holders of
4 bonds, notes and other obligations of the authority to consent to any modifi-
5 cation of any contract, lease or agreement of any kind to which the authority
6 is a party;

7 (p) to manage or operate real and personal property, in the state, take
8 assignments of leases and rentals, proceed with foreclosure actions, or take
9 any other action necessary or incidental to the performance of its corporate
10 duties;

11 (q) to make and enter into all contracts and agreements necessary or in-
12 cidental to the performance of its duties and the execution of its powers un-
13 der this chapter;

14 (r) to plan, carry out, acquire, lease and operate facilities and to
15 provide for the construction, reconstruction, improvement, alteration or
16 repair of any facility or part thereof;

17 (s) to sell, lease, rent or sublease to any state body or community
18 college district, any facility or any space embraced in any facility con-
19 structed or leased under this act, to establish and revise the rents or
20 charges therefor and to do any other acts necessary to the management and
21 operation of its facilities;

22 (t) to do any act necessary or convenient to the exercise of the powers
23 herein granted or reasonably implied therefrom; and

24 (u) to issue bonds for the state department of education associated
25 with the school modernization facilities fund, pursuant to section 33-913,
26 Idaho Code, which shall be exempt from the provisions of section 67-6410,
27 Idaho Code.

28 SECTION 31. That Section 67-7434, Idaho Code, be, and the same is hereby
29 amended to read as follows:

30 67-7434. LOTTERY DIVIDENDS. ~~(1)~~ Annually, on July 1, the lottery shall
31 transfer three-eighths (3/8) of its net income to the permanent building
32 ~~account; three-eighths (3/8) fund and five-eighths (5/8) of its net income~~
33 ~~to the school district building account; and one-fourth (1/4) of its net~~
34 ~~income to the bond levy equalization fund school district facilities fund~~
35 pursuant to section 33-911, Idaho Code, after reserving sufficient moneys
36 to ensure the continuation of the lottery, as determined by the director and
37 commission.

38 ~~(2) The lottery shall ensure that the distributions made to the per-~~
39 ~~manent building account and the school district building account, pursuant~~
40 ~~to the provisions of subsection (1) of this section, shall not be less than~~
41 ~~the amount those accounts received for fiscal year 2008, provided funds are~~
42 ~~available at the fiscal year 2008 level. Provided however, in the event the~~
43 ~~level of available funds is less than the fiscal year 2008 level, one-half~~
44 ~~(1/2) of the available funds shall be transferred to the permanent building~~
45 ~~account and one-half (1/2) of the available funds shall be transferred to the~~
46 ~~school district building account.~~

47 ~~(3) In the event the lottery determines that an adjustment to an annual~~
48 ~~transfer as provided in subsection (1) of this section must be made pursuant~~
49 ~~to the provisions of subsection (2) of this section, the difference shall be~~

1 ~~deducted from the one-fourth (1/4) net income transfer that was to be made to~~
2 ~~the bond levy equalization fund, and the bond levy equalization fund shall~~
3 ~~receive the remainder, if any.~~

4 SECTION 32. That Section 33-356, Idaho Code, be, and the same is hereby
5 amended to read as follows:

6 33-356. SCHOOL BUILDING DESIGN AND ENERGY EFFICIENCY.

7 ~~(1) (a) School districts may seek to qualify for a reduction in building~~
8 ~~replacement value calculation for qualified, newly constructed public~~
9 ~~school buildings pursuant to section 33-1019(4), Idaho Code.~~

10 ~~(b) Each school district that seeks to qualify a newly constructed~~
11 ~~building for the building replacement value calculation provided for in~~
12 ~~section 33-1019(4), Idaho Code, shall use integrated design practices~~
13 ~~and fundamental commissioning in the design and construction of such~~
14 ~~building.~~

15 ~~(c) Following the first year of operations of a building that was cer-~~
16 ~~tified in accordance with the provisions of subsection (5)(a) of this~~
17 ~~section, the germane school district shall perform or cause to be per-~~
18 ~~formed an annual optimization review of the qualifying building. Such~~
19 ~~annual optimization review shall be performed in a manner that is con-~~
20 ~~sistent with rules promulgated pursuant to this section. Such school~~
21 ~~district shall thereafter perform or cause to be performed an annual op-~~
22 ~~timization review each year it seeks to qualify such building for the~~
23 ~~building replacement value calculation provided in section 33-1019(4),~~
24 ~~Idaho Code.~~

25 ~~(2) (1)~~ For purposes of this section, the following terms shall have the
26 following meanings:

27 (a) "Fundamental commissioning" means the use of a third party to re-
28 view building design and building system specifications and to specify
29 and monitor preoccupancy system testing to ensure functional integra-
30 tion of specified systems and functional operation of systems at the
31 completion of a project.

32 (b) "Integrated design" means a process to develop consensus among the
33 project team and owner as to the energy savings and building performance
34 goals of the project and to identify design strategies to achieve those
35 goals, including documentation strategies for design decisions to en-
36 sure accurate implementation of design through construction.

37 ~~(3) (2)~~ It shall be the duty and responsibility of the administrator
38 of the division of occupational and professional licenses to provide assis-
39 tance to school districts to ensure school districts can access the techni-
40 cal and educational support needed to implement the processes of integrated
41 design and fundamental commissioning. It shall further be the duty and re-
42 sponsibility of the administrator of the division of occupational and pro-
43 fessional licenses to compile and cause to be made available to school dis-
44 tricts a list of all third-party building commissioning agents in Idaho and
45 contiguous states. The administrator shall ensure that all commissioning
46 agents that appear on such list are certified by the building commissioning
47 association or other similar certifying entity. The administrator shall en-
48 sure that such list is updated annually.

1 ~~(4)~~ (3) The administrator of the division of occupational and profes-
 2 sional licenses is hereby authorized and directed to promulgate rules in
 3 accordance with the provisions of chapter 52, title 67, Idaho Code, that pro-
 4 vide the guidance, education and technical information necessary for school
 5 districts to implement the processes of integrated design and fundamental
 6 commissioning. The administrator is authorized to expand upon the terms
 7 defined in subsection ~~(2)~~ (1) of this section, and to provide additional def-
 8 initions as needed. In addition, the administrator shall promulgate rules
 9 governing annual optimization review and evaluation of germane building
 10 systems to ensure optimal performance of such systems and maximum energy
 11 savings and building performance. Such rules shall include, but not be
 12 limited to, a definition for the minimum scope of work required for annual
 13 optimization.

14 ~~(5) (a)~~ The administrator of the division of occupational and profes-
 15 sional licenses shall certify to the state department of education when
 16 a building has qualified for school building replacement value calcula-
 17 tion exclusions as provided for in section 33-1019(4), Idaho Code. As
 18 part of such certification, the administrator shall state specifically
 19 the school building(s) and the square footage thereof that shall be ex-
 20 cluded from the school building replacement value calculations.

21 ~~(b)~~ Following the first year of operations of a building that was cer-
 22 tified in accordance with the provisions of paragraph (a) of this sub-
 23 section, the administrator of the division of occupational and profes-
 24 sional licenses shall certify to the state department of education when
 25 such building has undergone an annual optimization review as provided
 26 in subsection (1)(c) of this section. Such certification shall ensure
 27 that the qualifying building meets or exceeds the requirements of an-
 28 nual optimization review rules promulgated pursuant to subsection ~~(4)~~
 29 of this section.

30 SECTION 33. That Section 33-1018C, Idaho Code, be, and the same is
 31 hereby amended to read as follows:

32 33-1018C. PUBLIC EDUCATION STABILIZATION FUND -- REPLACEMENT
 33 FUNDS. In the event that moneys are withdrawn from the public education
 34 stabilization fund for the circumstances authorized pursuant to section
 35 33-1018 ~~or 33-1018B~~, Idaho Code, then the joint finance-appropriations
 36 committee shall consider transferring the amount of the withdrawal as a sup-
 37 plemental appropriation to the public education stabilization fund for the
 38 current fiscal year.

39 SECTION 34. That Section 33-1102, Idaho Code, be, and the same is hereby
 40 amended to read as follows:

41 33-1102. PURPOSES FOR WHICH BONDS MAY BE ISSUED. The purposes for
 42 which bonds may be issued shall be: To acquire, purchase or improve a
 43 school site or school sites; to build a schoolhouse or schoolhouses or other
 44 building or buildings; to demolish or remove school buildings; to add to,
 45 remodel or repair any existing building; to furnish and equip any building
 46 or buildings, including all lighting, heating, ventilation and sanitation
 47 facilities and appliances necessary to maintain and operate the buildings of

1 the district; to purchase school buses and to acquire, develop or renovate
2 school facilities to establish, create and develop renewable energy sys-
3 tems as described in section 33-604, Idaho Code. ~~The provisions of section~~
4 ~~33-906, Idaho Code, shall not apply to bonds or portions of bonds issued to~~
5 ~~acquire, develop or renovate school energy systems as authorized in section~~
6 ~~33-604, Idaho Code, when the school district begins to sell thermal energy~~
7 ~~for revenue as authorized in section 33-605, Idaho Code.~~

8 SECTION 35. That Section 40-718, Idaho Code, be, and the same is hereby
9 amended to read as follows:

10 40-718. GARVEE FUNDS ESTABLISHED -- CAPITAL PROJECT FUND -- DEBT SER-
11 VICE FUND. (1) There is established in the state treasury a fund known as the
12 "GARVEE Capital Project Fund" which shall include:

13 (a) Any draw by the board of proceeds from the transportation bonds or
14 notes issued by the Idaho housing and finance association in accordance
15 with chapter 62, title 67, Idaho Code.

16 (b) Interest earned on the investment of idle moneys in the GARVEE capi-
17 tal project fund shall be paid to the GARVEE capital project fund.
18 Disbursements from this fund shall be made for projects in accordance with
19 chapter 3, title 40, Idaho Code. All moneys in the fund are hereby continu-
20 ously appropriated to the department.

21 (2) There is established in the state treasury a fund known as the
22 "GARVEE Debt Service Fund" for the purpose of paying the principal, interest
23 and other amounts required for transportation bonds or notes of the Idaho
24 housing and finance association in accordance with chapter 62, title 67,
25 Idaho Code. The fund shall include:

26 (a) Amounts transferred from the state highway account upon certifi-
27 cation by the Idaho housing and finance association to the state con-
28 troller, state treasurer and the board as necessary for payment of prin-
29 cipal, interest and other amounts required for transportation bonds or
30 notes.

31 (b) Amounts distributed pursuant to section 63-2520 (b) ~~(5)~~ (4), Idaho
32 Code. Provided that such moneys distributed to the GARVEE debt service
33 fund pursuant to this paragraph shall be used in combination with the
34 amounts provided for in paragraph (a) of this subsection and shall be
35 used for payment of principal, interest and other amounts required for
36 transportation bonds or notes.

37 (c) Interest earned on the investment of idle moneys in the GARVEE debt
38 service fund shall be paid to the GARVEE debt service fund.

39 From moneys within this fund, there are hereby continuously appropriated
40 such amounts as, from time to time, shall be certified by the Idaho housing
41 and finance association to the state controller, state treasurer and the
42 board as necessary for payment of principal, interest and other amounts
43 required for transportation bonds or notes of the Idaho housing and finance
44 association in accordance with chapter 62, title 67, Idaho Code, which
45 amounts shall be paid over as directed by the association.

46 SECTION 36. An emergency existing therefor, which emergency is hereby
47 declared to exist, Sections 2 and 3 of this act shall be in full force and ef-
48 fect on and after passage and approval, and retroactively to January 1, 2024,

1 and Sections 1 and 4 through 35 shall be in full force and effect on and after
2 July 1, 2024.