

# Idaho Building Contractors Association

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### A Unique Legislative Session, 2021

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The 2021 Idaho Legislative session was unique. It was conducted in the midst of a pandemic, with few spectators, the addition of a robust virtual testimony component, and ultimately became the longest session in Idaho history at 122 days. Over 900 pieces of legislation were drafted, 628 of which were introduced in committees.

A priority for legislative leaders was addressing the balance of power between the Legislature and the governor during emergency declarations. Twenty-five proposals dealing with balance of power, emergency declarations, and mandates were introduced. In the end, three very mild versions of these bills became law.

Another priority was tax relief. An Income tax relief bill was passed that included a one-time sales tax rebate and ongoing income tax relief. This bill provides \$220 million in one-time rebates, and \$170 million per year in on-going income tax relief.

After multiple iterations of property tax relief bills failed, a bill containing multiple property tax provisions was passed. This bill caps the new construction and annexation portion of a local government's budget and reduces the amount of foregone revenue a taxing district may take. It raises the homeowner's exemption from \$100,000 to \$125,000 and increases the circuit breaker. This proposal drew criticism from an array of groups and legislators. Governor Little signed the bill into law but expressed concern it may not provide as significant property tax relief as intended. He pledged to work with the Legislature on the issue into the 2022 session.

A handful of cities, unsure of the implications of the bill implemented, or considered implementing, a moratorium on new building approvals. The IBCA is closely watching and engaging local officials on this subject to limit the impact to residential building and are working with legislators with an eye toward improving the situation in the 2022 legislative session.

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