

2020 ISBA RESOLUTION NO. 7

SCHOOL CONSTRUCTION AND PROPERTY TAX RELIEF

WHEREAS, Idaho is only one of two states that requires a 66 2/3rds supermajority to approve a bond measure; and

WHEREAS, the taxable property values of school districts in Idaho vary so greatly that many school districts are at a great disadvantage passing bonds because of the impact on the levy rate; and

WHEREAS, despite these challenges between 1998 and 2016 voters approved \$2,044,380,500 in bonds to meet the educational needs of Idaho's children by either constructing new schools or repairing existing schools; and

WHEREAS, in addition to paying the costs necessary to meet these educational needs, voters authorized the additional payment of approximately \$900,000,000 in interest on these bonds; and

WHEREAS, the cost of paying for school construction and major repairs is a burden carried solely by property owners; and

WHEREAS, the State of Idaho currently provides \$406 in school facilities funding for each charter school student and \$153 in school facilities funding for each traditional school district student; and

WHEREAS, paying half the cost of the bonds between 1998 and 2016 would have reduced the tax burden on property owners by \$1,490,000,000; and

WHEREAS, the sales tax from new construction in Idaho from 1998 through 2016 generated more revenue than necessary for the State of Idaho to fund half the cost of school bonds during that time;

NOW, THEREFORE BE IT RESOLVED, that the Idaho School Boards Association shall support legislation that would provide for 50 percent State funding using sales tax revenue from new construction to supplement the costs of future school bonds that receive a minimum of 66 and 2/3rds support from voters.

STATEMENT OF PURPOSE

To support new legislation that would help school districts fund needed improvements to existing buildings, make additions to existing buildings, or construct new buildings needed to provide space for increasing enrollment while reducing the tax burden that school bonds place on district property tax payers. The central tenant of this resolution is to make funding school building repairs and construction a cost that is shared among all taxpayers, and not just a cost paid by property tax payers. Another tenant of the resolution is to resolve the facilities lawsuit that the Idaho Supreme Court ruled needed to be resolved by the legislature.

Had such a resolution been in place over the last 20 years, it would have helped more than 90 of Idaho's school districts. Had it been in place this August, the cost for local payers in the failed bond measure attempts in Lakeland, Bonneville, Oneida, Sugar-Salem, Filer, Kellogg, and Shoshone would have been decreased by 50% and the measures may have stood a better chance of earning voter support.

Submitted by West Ada School District No. 2

RECOMMENDATION OF THE ISBA EXECUTIVE BOARD: NO RECOMMENDATION

Jim Stoor of the ISBA Executive Board will address the Executive Board's recommendation to the membership at the Business Session of the Annual Convention.