

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 568

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO REVENUE ALLOCATION AREAS; AMENDING SECTION 50-2904, IDAHO CODE,
2 TO PROVIDE THAT ANY ANNUAL REVENUE ALLOCATION AREA REVENUES COLLECTED
3 THAT EXCEED THE AMOUNT NECESSARY TO REPAY THE REVENUE ALLOCATION BOND
4 SHALL BE RETURNED TO THE TAXING DISTRICTS IN THE REVENUE ALLOCATION AREA
5 ON A PRO RATA BASIS.
6

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

8 SECTION 1. That Section 50-2904, Idaho Code, be, and the same is hereby
9 amended to read as follows:

10 50-2904. AUTHORITY TO CREATE REVENUE ALLOCATION AREA. An authorized
11 municipality is hereby authorized and empowered to adopt, at any time,
12 a revenue allocation financing provision, as described in this chapter,
13 as part of an urban renewal plan or competitively disadvantaged border
14 community area ordinance. A revenue allocation financing provision may
15 be adopted either at the time of the original adoption of an urban renewal
16 plan or the creation by ordinance of a competitively disadvantaged border
17 community area or thereafter as a modification of an urban renewal plan or
18 the ordinance creating the competitively disadvantaged border community
19 area. Urban renewal plans existing prior to the effective date of this
20 section may be modified to include a revenue allocation financing provision.
21 Except as provided in subsections (1), (2) and (3) of this section, no
22 revenue allocation provision of an urban renewal plan or competitively
23 disadvantaged border community area ordinance, including all amendments
24 thereto, shall have a duration exceeding twenty-four (24) years from the
25 date the ordinance is approved by the municipality; and provided further,
26 no additions to the land area of an existing revenue allocation area shall
27 be interpreted to or shall cause an extension of the date of the twenty-four
28 (24) year limit that was originally established for the revenue allocation
29 area; and any annual revenue allocation area revenues collected that exceed
30 the amount necessary to repay the revenue allocation bond shall be returned
31 to the taxing districts in the revenue allocation area on a pro rata basis.
32 Notwithstanding these limitations, the duration of the revenue allocation
33 financing provision may be extended if:

34 (1) The maturity date of any bonds issued to provide funds for a
35 specific project in the revenue allocation area and payable from the
36 revenue allocation financing provision exceeds the duration of the revenue
37 allocation financing provision, provided such bond maturity is not greater
38 than thirty (30) years; or

39 (2) The urban renewal agency determines that it is necessary to
40 refinance outstanding bonds payable from the revenue allocation financing
41 provision to a maturity exceeding the twenty-four (24) year duration of the

1 revenue allocation financing provision in order to avoid a default on the
2 bonds; or

3 (3) The local governing body has adopted an urban renewal plan or
4 competitively disadvantaged border community area ordinance or an amendment
5 to an urban renewal plan or competitively disadvantaged border community
6 area ordinance prior to July 1, 2000, in which is defined the duration
7 of the plan beyond a period of twenty-four (24) years, in which case the
8 revenue allocation provision shall have a duration as described in such
9 urban renewal plan or competitively disadvantaged border community area
10 ordinance; and

11 (4) During the extensions set forth in subsections (1) and (2) of
12 this section, any revenue allocation area revenues exceeding the amount
13 necessary to repay the bonds during the period exceeding the twenty-four
14 (24) year maturity of the revenue allocation financing provision shall be
15 returned to the taxing districts in the revenue allocation area on a pro rata
16 basis.