

LEGISLATURE OF THE STATE OF IDAHO
Sixty-eighth Legislature First Regular Session - 2025

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 384

BY HEALTH AND WELFARE COMMITTEE

AN ACT

RELATING TO THE IDAHO WILDFIRE RISK MITIGATION FUND; AMENDING THE HEADING FOR CHAPTER 24, TITLE 41, IDAHO CODE; AMENDING CHAPTER 24, TITLE 41, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 41-2402, IDAHO CODE, TO PROVIDE LEGISLATIVE INTENT AND A SHORT TITLE; AMENDING CHAPTER 24, TITLE 41, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 41-2403, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING A WILDFIRE RISK MITIGATION FUND; AMENDING CHAPTER 24, TITLE 41, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 41-2404, IDAHO CODE, TO PROVIDE FOR POWERS AND AUTHORITY OF THE DIRECTOR; AMENDING CHAPTER 24, TITLE 41, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 41-2405, IDAHO CODE, TO ESTABLISH PROVISIONS REGARDING FUNDING SOURCES; AMENDING SECTION 41-406, IDAHO CODE, TO PROVIDE FOR A CERTAIN DISTRIBUTION TO THE IDAHO WILDFIRE RISK MITIGATION FUND; AND DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. That the Heading for Chapter 24, Title 41, Idaho Code, be, and the same is hereby amended to read as follows:

CHAPTER 24
PROPERTY INSURANCE ~~CONTRACTS~~

SECTION 2. That Chapter 24, Title 41, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 41-2402, Idaho Code, and to read as follows:

41-2402. IDAHO WILDFIRE RISK MITIGATION FUND ACT -- LEGISLATIVE INTENT -- SHORT TITLE. It is the intent of the legislature to assist homeowners and property owners in protecting their homes and property against wildfire risks and to reduce or mitigate wildfire risk to property owners, thereby reducing costs of property insurance, reducing or mitigating community-level wildfire risks, and assisting in attracting and retaining insurers in the property marketplace, by establishing the provisions of sections 41-2402 through 41-2405, Idaho Code, which shall be known and may be cited as the "Idaho Wildfire Risk Mitigation Fund Act."

SECTION 3. That Chapter 24, Title 41, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 41-2403, Idaho Code, and to read as follows:

41-2403. WILDFIRE RISK MITIGATION FUND. (1) There is hereby created in the state treasury the wildfire risk mitigation fund. The fund shall consist of moneys deposited pursuant to section 41-2405, Idaho Code. Interest earned on the investment of idle moneys in the fund shall be returned to the fund. The fund is hereby continuously appropriated to the extent neces-

1 sary to accomplish the provisions of sections 41-2402 through 41-2405, Idaho
2 Code.

3 (2) The fund is established to:

4 (a) Receive funding from various sources;

5 (b) Improve access to property insurance in target areas; and

6 (c) Distribute funding to mitigate wildfire risk, including but not
7 limited to grants, matching programs, and educational efforts.

8 (3) The fund shall, at all times, be free from taxation of any kind.

9 (4) The director of the department of insurance may appoint an advisory
10 committee to assist in operation of the fund.

11 SECTION 4. That Chapter 24, Title 41, Idaho Code, be, and the same is
12 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
13 ignated as Section 41-2404, Idaho Code, and to read as follows:

14 41-2404. POWERS AND AUTHORITY. The director of the department of in-
15 surance shall have the authority to:

16 (1) Promulgate rules, subject to legislative approval, to accomplish
17 the provisions of sections 41-2402 through 41-2405, Idaho Code; and

18 (2) Establish policies and procedures as may be necessary or convenient
19 for the implementation of the provision of sections 41-2402 through 41-2405,
20 Idaho Code, and the operation of the wildfire risk mitigation fund, includ-
21 ing for:

22 (a) The handling and accounting of assets and moneys and for the annual
23 fiscal reporting of such assets and moneys;

24 (b) Selecting an administrator and setting forth the powers and duties
25 of the administrator;

26 (c) Providing grants to citizens or communities for wildfire risk mit-
27 igation. Such grant amounts shall be limited in order to assist the
28 largest number of citizens and may require matching funds; and

29 (d) Funding property protection and fire prevention and mitigation ed-
30 ucation and resources.

31 SECTION 5. That Chapter 24, Title 41, Idaho Code, be, and the same is
32 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
33 ignated as Section 41-2405, Idaho Code, and to read as follows:

34 41-2405. FUNDING. The Idaho wildfire risk mitigation fund shall be
35 funded from the following sources:

36 (1) The ongoing appropriation of premium tax authorized pursuant to
37 section 41-406(1) (e), Idaho Code;

38 (2) Excess stamping fees as recommended by the surplus line association
39 of Idaho or a delegated organization and approved by the director of the de-
40 partment of insurance; and

41 (3) Grants or other contributions available for fire prevention or mit-
42 igation, including private sector contributions.

43 SECTION 6. That Section 41-406, Idaho Code, be, and the same is hereby
44 amended to read as follows:

41-406. DEPOSIT AND REPORT OF FEES, LICENSES AND TAXES. (1) The director shall transmit all taxes, fines and penalties collected by him to the state treasurer as provided under section 59-1014, Idaho Code. The director shall file with the state controller a statement of each deposit thus made. All such funds received shall be deposited into the department of insurance suspense account. Such funds shall be distributed as follows:

(a) The director may deposit up to twenty percent (20%) of the funds received in the insurance refund account which is hereby created for the purpose of repaying overpayments of any taxes, fines, and penalties or other erroneous receipts. There is hereby appropriated out of the insurance refund account so much thereof as shall be necessary for the payment of refunds. Any unencumbered balance remaining in the insurance refund account on June 30 of each and every year in excess of forty thousand dollars (\$40,000) shall be transferred to the general fund and the state controller is hereby authorized and directed on such dates to make such transfers unless the board of examiners, which is hereby authorized to do so, changes the date of transfer or sum to be transferred.

(b) That portion of the premium tax, payable to the public employee retirement fund as provided in section 59-1394, Idaho Code, shall be distributed to that fund.

(c) That portion of the premium tax necessary to cover administrative costs incurred by the department in placing insurance companies or any other insurance entities into receivership or under administrative supervision, and such costs cannot be satisfied from the assets of these companies or entities, shall be distributed to the insurance insolvency administrative fund which is hereby created. There is hereby appropriated out of the insurance insolvency administrative fund so much thereof as shall be necessary, but not to exceed two hundred thousand dollars (\$200,000) in any one (1) fiscal year, for the payment of the department's administrative expenses incurred in carrying out such receiverships or supervision. A balance of one hundred thousand dollars (\$100,000) shall be maintained in this fund on June 30 of each year.

~~(d) After all other the deductions authorized in this section paragraphs (b) and (c) of this subsection have been made, if the premium tax remaining exceeds forty-five million dollars (\$45,000,000), one-fourth (1/4) of such excess is hereby appropriated and shall be paid to the Idaho individual high risk reinsurance pool established in chapter 55, title 41, Idaho Code.~~

~~(e) After the deductions authorized in paragraphs (b) through (d) of this subsection have been made, if the premium tax remaining exceeds one hundred thirteen million dollars (\$113,000,000), one-fourth (1/4) of such excess is hereby appropriated and shall be paid to the wildfire risk mitigation fund established in chapter 24, title 41, Idaho Code.~~

~~(f)~~ (f) The balance of the premium tax, fines and penalties shall be distributed to the general fund of the state of Idaho.

~~(g)~~ (g) All moneys received for fees, licenses and miscellaneous charges collected shall be distributed to the insurance administrative account.

1 (2) The director shall make and file with the state controller an item-
2 ized statement of the fees, licenses, taxes, fines and penalties collected
3 by him during the preceding month.

4 SECTION 7. An emergency existing therefor, which emergency is hereby
5 declared to exist, this act shall be in full force and effect on and after
6 July 1, 2025.