

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Tuesday, January 20, 2015

SUBJECT	DESCRIPTION	PRESENTER
	Organizational Meeting	
RS23207	Motor vehicle/labor material liens	Chris Fisher Idaho Transportation Department
RS23219	Motor vehicle/title stop requirement	Chris Fisher
RS23335	Rifle Association license plates	Rep. Dixon
RS23330	Auto cycles	Rep. Palmer

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

COMMITTEE SECRETARY

Amber Duke
Room: EW60
Phone: 332-1146
email: htran@house.idaho.gov

MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Tuesday, January 20, 2015
TIME: 1:30 P.M.
PLACE: Room EW40
MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow
**ABSENT/
EXCUSED:** Vice Chairman Shepherd, Representative Harris
GUESTS: Alan Frew, Idaho Transportation Department; Christine Fisher, Idaho Transportation Department

Chairman Palmer called the meeting to order at 1:30 p.m.

RS 23207: **Christine Fisher**, Idaho Transportation Department, presented **RS 23207** regarding motor vehicle/labor material liens. There are currently two different pieces of statute that address lien sale procedures for selling vehicles, after they have been left for repairs or storage, and the legal owners or lien holders have not claimed the vehicle or paid towing charges. As of now, staff must allow the requestor to choose the method. One is fairly straightforward and streamlined. The other is much more cumbersome on the requestor to meet the complex requirements to allow a possessory lien holder to sell a vehicle. This concept would eliminate the more cumbersome method, leaving the streamlined more effective method. The requirements would be the same for all, alleviating staff time in processing this type of lien sale. It would result in time savings to Vehicle Services staff of approximately 60 hours per month, which could be used to improve titling turnaround time.

MOTION: **Rep. Wills** made a motion to introduce **RS 23207**. **Motion carried by voice vote.**

RS 23219: **Christine Fisher**, Idaho Transportation Department, presented **RS 23219** regarding motor vehicle/title stop requirements. Current code authorizes the department to collect a fee for placing a stop on a title record. It is meant to prevent further title issuance from occurring until a civil dispute is resolved. This proposal outlines the process, by including notification requirements to interested parties, time limits for filing documentation, and further required actions to resolve the title stop. Putting administrative policies in code will streamline the internal process and provide statutory authority for notification and time lines for policies surrounding a title stop request.

MOTION: **Rep. Gestrin** made a motion to introduce **RS 23219**. **Motion carried by voice vote.**

RS 23335: **Rep. Dixon** presented **RS 23335** regarding Rifle Association license plates. This amendment establishes a special license plate for the Idaho Friends of the National Rifle Association. This will provide a special plate option for people who wish to support their association with the Idaho Friends of the National Rifle Association and help firearm education and shooting sports continue to thrive. The plate will feature the NRA logo. The monies from this plate will be allocated between the state highway account and the National Rifle Association Foundation Idaho State Grant Fund.

MOTION: **Rep. Packer** made a motion to introduce **RS 23335**. **Motion carried by voice vote.**
Chairman Palmer turned the gavel over to **Rep. Gestrin**.

RS 23330: **Rep. Palmer** presented **RS 23330** regarding auto cycles. The Elio car is a three wheeled car with all the safety features of a normal automobile. This car, as of now would need to be listed as a motorcycle. This RS will provide for the definition of auto cycle and will clarify specific exemptions.

MOTION: **Rep. Bateman** made a motion to introduce **RS 23330. Motion carried by voice vote.**

Rep. Gestrin turned the gavel over to **Chairman Palmer.**

Chairman Palmer announced the two proof readers for the committee minutes. **Rep. Wintrow** and **Rep. Dixon** will be the proof readers.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 1:46 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #2
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
AND
SENATE TRANSPORTATION COMMITTEE
1:30 P.M.
WW02
Thursday, January 22, 2015

SUBJECT	DESCRIPTION	PRESENTER
Presentation	Annual Report and Update from the Idaho Transportation Department	Brian Ness, Director, Idaho Transportation Department
Presentation	Report from the Idaho Transportation Board	Jerry Whitehead, Chairman, Idaho Transportation Board

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

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MINUTES
JOINT MEETING
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
SENATE TRANSPORTATION COMMITTEE

DATE: Thursday, January 22, 2015

TIME: 1:30 P.M.

PLACE: WW02

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

Chairman Brackett, Vice Chairman Nonini, Senators Keough, Winder, Hagedorn, Vick, Den Hartog, Buckner-Webb, Lacey

**ABSENT/
EXCUSED:** Rep. Wills, Senator Winder, Senator Hagedorn, Senator Buckner-Webb

GUESTS: The sign-in sheet will be retained in the committee secretary's office until the end of the session. Following the end of the session, the sign-in sheet will be filed with the minutes in the Legislative Services Library.

Senator Brackett called the meeting to order at 1:30 p.m.

Brian Ness, Director Idaho Transportation Department (ITD), gave an annual report and update from the Idaho Transportation Department. Mr. Ness explained his report would have four parts. A brief overview of the Governor's budget recommendation, a report on how they have improved ITD, the results of making those improvements, and what they will focus on in 2015. He said 88% of their funding goes to the highway system paying for highway operations, contract construction, and debt service for critical projects they accelerate in. The ITD would like to reduce the full-time positions by 28 positions for FY 16, and use that funding to pay for a pilot program for transportation technicians. He said employee innovations are producing better service to the tax payers, and helping reduce the FTP (full-time positions) count. Removing 28 positions and retaining the funding will do two things: first, it will allow for increased training and skills of employees. Second, as they improve their skills, it will allow for them to be paid accordingly.

Mr. Ness explained federal funding comes to ITD thru Map 21. Map 21 was a two year federal bill which expired last September, but was extended to May 31st. Map 21 has an average annually 15 billion dollar shortfall, and money has been taken from the Federal General Fund to make up that difference.

Mr. Ness said 1996 was the year Idaho last increased the user fees on fuel. He said state funds made up 54% of ITD's total revenue, which is now reduced and 54% of funding is now federal. Idaho is growing more reliant on federal money for roads and bridges. ITD realigned the agency from top to bottom, and these realignments had many benefits. It significantly improved customer service and now each layer of the organization has clear defined roles. Mr. Ness said one third of ITD's workforce is now made up of people who maintain the roads. He said with fewer people, employees have increased their performance and the service that they provide to the tax payers.

Mr. Ness explained in 2013 Idaho had 20% fewer highway fatalities than in 2006 despite a 4% increase in miles traveled annually. Transportation investments have also improve mobility because they modernize the infrastructure. He said recent innovations have improved the way they manage ITD's budget. One of ITD's most innovated practices is the way they select highway projects. ITD selects projects based on the impact they will have on system condition, safety, and the state's economy.

Mr. Ness reviewed the three focus areas in 2015 with the first being continuous improvement, employee development, and infrastructure needs. In 2015 ITD will use innovative business practices, make decisions closer to where work is done, and move the needle forward on ITD's 10 performance measures. He said ITD employees are members of the communities where they work. The second area of focus will be on employee development. Mr. Ness said workforce plan addresses the tidal wave of retirements, hires replacements with skills to meet future demands, and trains the remaining 50% of employees. The third focus area will be to address the state's infrastructure needs. He said Idaho does not have the funding to support the needs of an aging system. The governor's task force found that Idaho is \$543 million short annually in transportation funding. Of that, \$262 million is needed just to preserve the existing system. In 1996 the fuels tax was 25 cents per gallon, and today nearly two decades later, it is still 25 cents per gallon.

For more information on the Governor's Task Force you can visit:
https://itd.idaho.gov/taskforce/Task_Force_Final_Report_Low_Res.pdf

Idaho bridges are designed to last 40-60 years. However, at the rate of current funding levels, they must last 120 years. The older a bridge gets, the more expensive it gets to maintain a good condition. He explained between 2014-2019 they will replace 87 bridges but despite those replacements another 147 bridges will reach the half century mark. In 2019, 908 bridges will be more than 50 years old, and that is nearly half of the bridges on the state highway system. Bridges in Idaho are inspected once every two years, if a bridge is deemed unsafe, ITD will restrict or close the bridge. **Mr. Ness** said restricted bridges force trucks to take long detours or carry smaller loads. Bridge restrictions do insure public safety but also hinder the economy.

Mr. Ness explained pavements are also aging. He said depending on traffic loads and weather, a new highway will last approximately 20 years, but only if it was well maintained. Today 85% of ITD's pavement is in good or fair condition. In 2019 it will decrease to 76% as good or fair. Every \$1 we invest now while the system is in good condition we will save \$6-\$14 in the future.

Mr. Ness explained Idaho's economy is beginning to turn around, but to accelerate we must begin investing in transportation. This will grow the economy and put contractors back to work. It will also reduce crashes and fatalities.

Jerry Whitehead, Chairman of the Idaho Transportation Board (ITB) gave a report from the Idaho Transportation Board. He explained in order for them to accomplish what they need, they will need additional funding. The board has oversight over the department.

Blake Rindlisbacher from ITD reviewed the investment in the ITD infrastructure system and the system condition. Mr. Rindlisbacher reviewed the ITD GARVEE and stimulus investment history, safety benefits of GARVEE and stimulus, and the pavement surface condition and projection. There are a total of 4,198 state and local bridges in Idaho, and many bridges are over 50 years old, which is a statewide problem.

Dave Tollman, Controller, Idaho Transportation Department, presented information on the impact of inflation on the revenue trends that support the department. Some of the trends that affect the revenue are vehicle miles traveled (VMT), passenger cars registered, and driver's licenses in force. Policy makers in the past have recognized the need for transportation revenue, and periodically have made adjustments. Mr. Tollman explained how indexed funds behave vs. fixed funds.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:44 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Monday, January 26, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 14	Motor Vehicle/Labor Material Liens	Barry Takeuchi
H 15	Motor Vehicle/Title Stop Requirement	Barry Takeuchi
RS23252	Fuels Tax	Michael Chakarun
RS23267	Fuels Tax, Dyed/Marked Diesel	Michael Chakarun
RS23341	Elk License Plates	Rep. Kauffman

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Monday, January 26, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** None

GUESTS: Barry Takeuchi, ITD, Christine Fisher, ITD, Michael Chakarun, ISTC, Don Williams, ISTC, Dave Carlson, AAA Idaho, Mike Brassey, Union Pacific/IFSA, Nick Staut, Governor's Office

Chairman Palmer called the meeting to order at 1:30 p.m.

MOTION: **Rep. Dixon** made a motion to approve the minutes of the January 20, 2015, meeting. **Motion carried by voice vote.**

H 14: **Barry Takeuchi**, Titles Program Specialist, Idaho Transportation Department, presented **H 14** regarding motor vehicle/labor materials. He explained this bill would repeal Title 49 Chapter 17 Idaho Code that deals with possessory lien sales. Possessory liens are commonly referred to mechanic's liens. They happen when a company has provided repair, storage, or towing without receiving payment. The lien sale provides a mechanism for the mechanic to receive the costs through sale of the vehicle at an auction. Currently staff must allow the requestor to choose the method, one method is fairly straightforward and streamlined while the other is much more cumbersome on the department and the requestor. This bill would eliminate the more cumbersome method. This would also alleviate staff time in processing this type of lien sale.

MOTION: **Rep. Wills** made a motion to send **H 14** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Wills** will sponsor the bill on the floor.

H 15: **Barry Takeuchi**, Titles Program Specialist, Idaho Transportation Department, presented **H 15** regarding motor vehicle/title stop requirements. Mr. Takeuchi explained this would establish in code the vehicle/title stop program which currently only exists to establish a fee for the request to be placed on the record. This program would allow someone to place a stop on the record for transfer until a civil dispute has been resolved in court. This process works by contacting and requesting a stop on the record. A person would then have 30 days from the placement of that stop to file judicial proceedings and provide evidence of that. More than 75% of the title stop requests received come from the State Tax Commission and other governmental agencies including, Department of Labor to collect overpayment of unemployment benefits, and the Department of Health and Welfare to aid in the collection of child support. The remaining 25% are primarily civil disputes and divorces, aiding in the protection of vulnerable parties. Putting administrative policies in code will streamline the internal process and provide statutory authority for notification and timelines for policies surrounding a title stop request.

- MOTION:** **Rep. Kauffman** made a motion to send **H 15** to the floor with a DO PASS recommendation. **Motion carried by voice vote.** **Rep. Kauffman** will sponsor the bill on the floor.
- RS 23252:** **Michael Chakarun**, Tax Policy Manager, Tax Commission, presented **RS 23252** regarding fuels tax. Current law states that taxpayers can claim a fuel tax credit on their annual income tax return or submit a refund claim on a monthly basis. They can then reconcile those refund claims on their annual income tax return. The Tax Commission has not enforced the reconciliation requirement. So to reduce administrative burdens on tax payers and to conform to current practice, the proposed legislation allows the taxpayer the choice of filing for the refund whether annually on the income tax return or separately for a period no greater than one year, but at least on a monthly basis and eliminates the annual reconciliation requirement. This legislation also clarifies refund procedures for claimants that are not required to file an income tax return to mirror procedures for claimants that must file an income tax return.
- MOTION:** **Rep. Bateman** made a motion to introduce **RS 23252.** **Motion carried by voice vote.**
- RS 23267:** **Michael Chakarun**, Tax Policy Manager, Tax Commission, presented **RS 23267.** This legislation clarifies the motor fuels tax section, makes it more user friendly and organizes it in a more rationale matter. It also clarifies the term "dyed diesel" to mean diesel dyed or marked at a refinery or terminal to prevent dying not allowed by deferral law. Mr. Chakarun explained violations and penalty provisions are scattered throughout the Motor Fuels Act. Duplicate penalties exist for the same violation and one penalty section is worded so poorly as to imply that buying gasoline form a gas station could be a misdemeanor. This proposed legislation reorganizes and consolidates five separate penalty and violation statutes into two violation statutes and one penalty statute. It clarifies language relating to the purchase and sale of motor fuels.
- MOTION:** **Rep. King** made a motion to introduce **RS 23267.** **Motion carried by voice vote.**
- RS 23341:** **Rep. Kauffman** presented **RS 23341** regarding elk license plates. This legislation adds a new section to create a Rocky Mountain Elk Foundation license plate. Rep. Kauffman explained funds from the sale of the plate will be used for education on habitat, the value of hunting, hunting ethics, wildlife management, and to promote outdoor skills.
- MOTION:** **Rep. Hixon** made a motion to introduce **RS 23341.** **Motion carried by voice vote.**
- ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:06 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Wednesday, January 28, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23216	Youth Challenge Program/Repeal Sunset	Richard Turner
RS23239	Military Justice Code	Richard Turner
RS23336	Special Fuels	Rep. Kauffman
RS23403	Officer Disability Act, Sunset Date	Paul Jagosh
H 16	Rifle Association License Plates	Dakota Moore and Rep. Dixon

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Wednesday, January 28, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** Representative(s) Wills

GUESTS: Dakota Moore, NRA-ILA, Christine Fisher, ITD, Steve Stokes, IDNG, Paul Boice, IDNG, Aaron Jenkins, Don Williams, ISTC, Suzanne Budge, SBS Associates, Mike Chakarun, ISTC

Chairman Palmer called the meeting to order at 1:30 p.m.

RS 23216: **Richard Turner**, Military Division, presented **RS 23216** regarding the Youth Challenge Program. This proposed legislation will remove the sunset clause which established the National Guard Youth Challenge Program. This program is intended to improve the education, life skills, and employment potential for Idaho students who have withdrawn from high school before completion.

MOTION: **Rep. Bateman** made a motion to introduce **RS 23216**. **Motion carried by voice vote.**

RS 23239: **Richard Turner**, Military Division, presented **RS 23239** regarding the Military Justice Code. He explained the three parts of this proposed legislation. It updates the Idaho Code of Military Justice (ICMJ), which has not been updated since 1975, it brings consistency and uniformity by adopting the Model State Code of Military Justice to Idaho, and it resolves several gaps within the current ICMJ.

MOTION: **Rep. Monks** made a motion to introduce **RS 23239**. **Motion carried by voice vote.**

RS 23336: **Rep. Kauffman** presented **RS 23336** regarding special fuels. This proposed legislation proposes to eliminate the gaseous fuel permit (decal) that allows owners of vehicles powered by gaseous fuels to pay a flat annual fee in lieu of paying fuel tax at the rate of 25 cents per energy, which is equivalent to a gallon of gasoline.

MOTION: **Rep. Shepherd** made a motion to introduce **RS 23336**. **Motion carried by voice vote.**

RS 23403: **Paul Jagosh**, Idaho Fraternal Order of Police, presented **RS 23403** regarding the Officer Disability Act. The intent of this legislation is to provide a full salary to employees in certain dangerous occupations whom have been injured on the job. Mr. Jagosh explained this does not add any cost to tax payers. The money is taken out of a fine on misdemeanor and felony convictions.

MOTION: **Rep. Monks** made a motion to introduce **RS 23403**. **Motion carried by voice vote.**

H 16: **Rep. Dixon** presented **H 16** regarding Rifle Association License Plates. This bill establishes a special license plate for the Idaho Friends of the National Rifle Association. It provides a special plate option for people who wish to proudly note their association with the Idaho Friends of the National Rifle Association and helps firearm education and shooting sports thrive. The money raised from this plate will be allocated between the state highway account and the National Rifle Association Foundation Idaho State Grant Fund.

Dakota Moore , NRA-ILA, explained this program goes beyond what the National Rifle Association generally involves itself in. This is specifically to engage youth in outdoor activities, shooting sports, and to learn proper gun safety.

MOTION:

Rep. Packer made a motion to send **H 16** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Wintrow and Rep. King** requested they be recorded as voting **NAY.** **Rep. Dixon** will sponsor the bill on the floor.

Chairman Palmer brought a matter to the committee's attention an issue **Rep. Rudolph** had found with **H 14**. He was concerned that after there was sent from committee with a DO PASS, part of the code being eliminated included a provision that gives a customer coming in for repairs the right to a written estimate before that repair is done. Chairman Palmer wanted to give the members of the committee a chance to review **H 14** and look into the issue for themselves.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 2:04 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Monday, February 02, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23393	Sanitation Trucks	Jerry Deckard
RS23395	Tire Load	Jerry Deckard
RS23405	License Plates, Orofino Maniacs	Rep. Shepherd
H 42	Fuels Tax	Michael Chakarun
H 43	Fuels Tax and Dyed/Marked Diesel	Michael Chakarun
H 44	Elk License Plates	Rep. Kauffman
H 55	Officer Disability Act, Sunset Date	Paul Jagosh

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

- DATE:** Monday, February 02, 2015
- TIME:** 1:30 P.M.
- PLACE:** Room EW40
- MEMBERS:** Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow
- ABSENT/
EXCUSED:** Representative(s) Hixon
- GUESTS:** Colin Hickman, Rocky Mountain Elk Foundation; Christine Fisher, ITD; Jerry Deckard, Assoc. Loggers; Roger Seiber, Assoc. Loggers; Mike Chakarun, ISTC; Don Williams, ISTC; Maj. Steve Richardson, ISP; Dave Carlson, AAA
- Chairman Palmer** called the meeting to order at 1:30 p.m.
- MOTION:** **Rep. Wintrow** made a motion to approve the minutes of the January 22, 2015 and January 26, 2015, meetings. **Motion carried by voice vote.**
- RS 23393:** **Jerry Deckard**, representing Associated Loggers, presented **RS 23393** regarding sanitation trucks. He explained this proposed legislation adds the definition for agriculture products to Idaho Code. Previously, a provision for extraneous materials of up to 2,000 pounds on an agriculture truck over gross allowed weight, to be forgiven was placed into Idaho Code. This legislation would allow the same forgiveness to agriculture products including forestry related products.
- MOTION:** **Rep. Wills** made a motion to introduce **RS 23393**. **Motion carried by voice vote.**
- RS 23395:** **Jerry Deckard**, representing Associated Loggers, presented **RS 23395** regarding tire load. This proposed legislation deals only with the steering axle loadings on tires and the steering axle. The requirement for using the manufacture's load rating for the tires is an acceptable methodology for determining the loading of the steering axle tires. It also provides for consideration of the manufacturer's load rating for the steering axle. These two methods of determining the weight allowed on the steering axle do not allow for the steering axle to exceed 20,000 pounds under existing law and with these changes.
- MOTION:** **Rep. Shepherd** made a motion to introduce **RS 23395**. **Motion carried by voice vote.**
- RS 23405:** **Rep. Shepherd** presented **RS 23405** regarding an Orofino Maniacs license plate. The Clearwater Community Foundation is requesting approval of this legislation for the students of Joint School District 171. Rep. Shepherd explained the extra funding would help the school go above and beyond what they are able to in difficult financial times. He also explained the school district followed all the correct procedures to make this license plate possible.
- MOTION:** **Rep. Bateman** made a motion to introduce **RS 23405**. **Motion carried by voice vote.**
- H 42:** **Michael Chakarun**, ISTC, presented **H 42** regarding fuels tax. Current law states that taxpayers can claim a fuel tax credit on their annual income tax return or submit refund claims on a monthly basis, then reconcile those refund claims on their annual income tax return. The committee agreed that the wording in the Statement of Purpose needed changed, but that the bill was correct.

**UNANIMOUS
CONSENT
REQUEST:**

Rep. Packer made a unanimous consent request to change the wording on the SOP for **H 42**. There being no objection, the request was granted.

MOTION:

Rep. Harris made a motion to send **H 42** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Harris** will sponsor the bill on the floor.

H 43:

Michael Chakarun, ISTC, presented **H 43** regarding fuels tax and dyed/marked diesel. He said the purpose of this legislation is to simplify the chapter and change the name. It is also to clarify language so the term dyed diesel means diesel dyed or marked at a refinery or terminal to prevent dying not allowed by federal law. This legislation would reorganize and consolidate five separate penalty and violation statutes into two violation statutes and one penalty statute.

Don Williams, Tax Policy Specialist, ISTC, explained to the committee the rules regarding licensing for producing bio fuels and the procedures in place for someone who violates those rules. He said they do not have specific people to do these checks. It is not a dedicated position, but the auditing staff does take care of these rule violations.

MOTION:

Rep. Gestrin made a motion to send **H 43** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Gestrin** will sponsor the bill on the floor.

H 44:

Rep. Kauffman presented **H 44** regarding elk license plates. He explained the funds from the sale of the plate will be used for education on habitat, the value of hunting, hunting ethics, wildlife management, and to promote outdoor skills.

Collin Hickman, Rocky Mountain Elk Foundation, gave a presentation to the committee about the Rocky Mountain Elk Foundation (RMEF). Mr. Hickman said the RMEF was founded over 30 years ago and is fueled by hunters and a membership of more than 200,000 strong. RMEF has conserved more than 6.4 million acres for elk and other wildlife.

MOTION:

Rep. Monks made a motion to send **H 44** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Kauffman** will sponsor the bill on the floor.

H 55:

Paul Jagosh, Idaho Fraternal Order of Police, presented **H 55** regarding the Officer Disability Act, sunset date. He stated this legislation was designed to create a fund that fills the gap when officers are injured in the line of duty. The purpose of the Peace Officer and Detention Officer Temporary Disability Act is to provide a full salary to employees in certain dangerous occupations whom have been injured on the job.

MOTION:

Rep. Bateman made a motion to send **H 55** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Chairman Palmer** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 2:37 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Wednesday, February 04, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23420	Motor Vehicles, Rental Fleets	Rep. Youngblood
11-1301-1401	The Motor Carrier Rules	Lt. Tim Horn, Idaho State Police
11-1301-1402	The Motor Carrier Rules	
35-0105-1401	Idaho Motor Fuels Tax Administrative Rules	
35-0105-1402	Idaho Motor Fuels Tax Administrative Rules	
39-0203-1402	Rules Governing Vehicle Dealer's Principal Place of Business	
39-0310-1401	Rules Governing When an Overlegal Permit is Required	
39-0316-1401	Rules Governing Oversize Permits for Non-Reducible Vehicle and/or Loads	
39-0350-1401	Rules Governing Safety Rest Areas	

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Wednesday, February 04, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** None

GUESTS: Christine Fisher, ITD, Dave Jones, ITD, Bobby Petersen, Dealer Advisory Board, Seth Uhlenkott, Idaho State Police, Tim Horn, Idaho State Police, Don Williams, ISTC, Mike Chakarun, ISTC, Julie Hart, Enterprise Rental Cars, Dennis Stevenson, Rules Coordinator, Suzanne Budge, SBS Assoc., Sarah Fuhriman, IRCA, Jonathan Parker, IAHD

Chairman Palmer called the meeting to order at 1:32 p.m.

RS 23420: **Rep. Youngblood** presented **RS 23420** regarding motor vehicles and rental fleets. He deferred the presentation to **Julie Hart** from Enterprise Rental Cars. She explained the proposed legislation would modify provisions to registration requirements for motor vehicles owned by a rental company. It would authorize an alternative registration card and registration decals for license plates to be issued for a motor vehicle that is owned by a rental company. Ms. Hart said currently in Utah there is similar legislation.

MOTION: **Rep. Hixon** made a motion to introduce **RS 23420**. **Motion carried by voice vote.**

DOCKET NO. 11-1301-1401: **Dennis Stevenson** with the office of Administrative Rules summarized the rule making regarding ISP (Idaho State Police) commercial vehicle safety. These changes would provide law enforcement the ability to put interstate carriers who have been declared a hazard, out of service and prohibit the carriers from operating on Idaho's highways until the issue is resolved.

MOTION: **Rep. Wills** made a motion to approve **Docket No. 11-1301-1401**. **Motion carried by voice vote.**

DOCKET NO. 11-1301-1402: **Dennis Stevenson** with the office of Administrative Rules also presented **Docket No. 11-1301-1402** regarding Motor Carrier Rules. This Rule extends the hours of service exemption for farm and agriculture commodity, retail and wholesale distribution points from 100 to 150 air miles. Covered farm vehicles are exempt if the gross vehicle weight rating of the vehicle is over 26,001 pounds. If the weight is less, the vehicle is exempt regardless of the distance from the farm or ranch.

MOTION: **Rep. Wills** made a motion to approve **Docket No. 11-1301-1402**. **Motion carried by voice vote.**

DOCKET NO. 35-0105-1401: **Don Williams**, Tax Policy Specialist, Idaho State Tax Commission, explained this Rule has three non-negotiated rules. The three rules were recommended by the Office of Administrative Rules Coordinator. 1) Rule 001 is required to follow the formatting standard outlined by the Office of Administrative Rules Coordinator. This rule is informational and gives the title and scope of the rules to follow. 2) Rule 004 is amended to adopt the formatting standard outlined by the Office of Administrative Rules Coordinator. Rule 330 is being moved to Rule 004 and amended to conform to different tax rules of a similar type promulgated by the State Tax Commission. 3) Rule 006 is a rule required in order to follow the formatting standard. Rule 004 is being moved to Rule 006 and amended to conform to the different tax rules of a similar type promulgated by the State Tax Commission.

MOTION: **Rep. Gestrin** made a motion to approve **Docket No. 35-0105-1401. Motion carried by voice vote. Reps. Dixon, Harris, Monks, and Shepherd** requested to be recorded as voting **NAY**.

DOCKET NO. 35-0105-1402: **Don Williams**, Tax Policy Specialist, for the Idaho State Tax Commission, said this docket covers two Rules, and is to make it possible to access the \$0.25/gallon gasoline tax on given volume of gaseous fuel based on the energy equivalent of a gallon of gasoline. The rule is being changed to align the current conversion factors to national and industry standards.

MOTION: **Rep. Kauffman** made a motion to approve **Docket No. 35-0105-1402. Motion carried by voice vote.**

DOCKET NO. 39-0203-1402: **Christine Fisher** said this rule would add specificity to further define Idaho Code regarding principal place of business requirements to define the term "reasonable times" for the purpose of customers being able to contact a dealer. The proposed change adds a section term "declared business hours" and requires retail dealers to be open 20 hours a week, and whole sale dealers to be open 4 hours a week. Part of both must be Monday-Friday 8:00 a.m. to 5:00 p.m.

Many questions and concerns of the committee members were addressed by **Christine Fisher** from ITD and **Daryl Marler** from the Division of Motor Vehicles. They said this was an attempt to help the department find out what reasonable hours of operation were.

MOTION: **Rep. Hixon** made a motion to approve **Docket No. 39-0203-1402.**

UNANIMOUS CONSENT REQUEST: **Rep. Hixon** asked for unanimous consent to withdraw his motion. There being an objection, the request was denied.

SUBSTITUTE MOTION: **Rep. Gestrin** made a substitute motion to approve **Docket No. 39-0203-1402** with the exception of section 06. Roll call vote was requested. **Motion failed by a vote of 7 AYE and 9 NAY, 1 absent/excused. Voting in favor of the substitute motion: Reps. Shepherd, Gestrin, Hixon, Dixon, Harris, Holtzclaw, and Monks. Voting in opposition to the motion: Reps. Bateman, Kauffman, Packer, Youngblood, McDonald, King, Rudolph, Wintrow, and Chairman Palmer. Rep. Wills was absent/excused.**

ROLL CALL VOTE: **Chairman Palmer** called for a roll call vote on the original motion to approve **Docket No. 39-0203-1402. Motion carried by a vote of 9 AYE and 7 NAY, 1 absent/excused. Voting in favor of the motion: Reps. Bateman, Kauffman, Packer, Youngblood, McDonald, King, Rudolph, Wintrow, and Chairman Palmer. Voting in opposition to the motion: Reps. Shepherd, Gestrin, Hixon, Dixon, Harris, Holtzclaw, and Monks. Rep. Wills was absent/excused.**

DOCKET NO. 39-0310-1401: **Reymundo Rodriguez**, ITD, spoke to the committee about **Docket No. 39-0310-1401** regarding rules governing when an over legal permit is required. This rule would allow industry to haul a motorized vehicle on a trailer behind the self-propelled vocational vehicle. The rule currently only allows towing of the motorized vehicle on its own axles.

MOTION: **Rep. Gestrin** made a motion to approve **Docket No. 39-0310-1401**. **Motion carried by voice vote.**

DOCKET NO. 39-0316-1401: **Reymundo Rodriguez**, ITD, explained **Docket No. 39-0316-1401** regarding rules governing oversize permits for non reducible vehicles and/or loads. This rule states the maximum size allowed by over legal permit. It does not apply to the transport of oversize manufactured homes or office trailers. This rule making institutes a new permit to allow the transportation of kiln lumber stacks on a half mile section of State Highway 3.

MOTION: **Rep. Kauffman** made a motion to approve **Docket No. 39-0316-1401**. **Motion carried by voice vote.**

DOCKET NO. 39-0350-1401: **Dave Jones** with ITD said **Docket No. 39-0350-1401** is a rule that implements the provisions of **S 1441** and amends the current rest area rule. In 2014 the legislature rejected a proposal which banned the discharge of firearms/fireworks. This proposed rule more clearly defines soliciting and fireworks' as requested by the legislature.

MOTION: **Rep. Youngblood** made a motion to approve **Docket No. 39-0350-1401**. **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:17 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
Upon Adjournment
Room EW40
Friday, February 06, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23510C1	Driver's License, ID Cards	Rep. Palmer

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

COMMITTEE SECRETARY

Amber Duke
Room: EW60
Phone: 332-1146
email: htran@house.idaho.gov

MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Friday, February 06, 2015
TIME: Upon Adjournment
PLACE: Room EW40
MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow
**ABSENT/
EXCUSED:** None
GUESTS: Shoni Pegram, Governor's Office, Bob Wells, Idaho Bureau of Homeland, John Eaton, Realtors, Andrew Mitzel, Realtors
MOTION: **Rep. Wintrow** made a motion to approve the minutes of the January 28, 2015, meeting. **Motion carried by voice vote.**
Chairman Palmer turned the gavel over to **Vice Chairman Shepherd.**
RS 23510C1: **Chairman Palmer** presented **RS 23510C1** regarding driver's license and ID cards. He explained this purposed legislation allows the state to submit a compliance extension to the Department of Homeland Security. He said this piece of legislation does not overwrite the legislation already put into place, but it does give ITD time to answer some questions.
MOTION: **Rep. Wills** made a motion to introduce **RS 23510C1**. **Motion carries by voice vote.**
Vice Chairman Shepherd turned the gavel back over to **Chairman Palmer.**
ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 12:03 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Tuesday, February 10, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 17	Auto Cycles	Rep. Palmer and Joel Sheltroun, Vice President Elio, Governmental Affairs
H 52	Youth Challenge Program/Repeal Sunset	Richard Turner
H 53	Military Justice Code	Stephen Stokes, Attorney Advisor, IDNG and MAJ Boice, IDNG
RS23474	Highway and Bridges, Vehicle Fees	Rep. Palmer

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Tuesday, February 10, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** None

GUESTS:

Chairman Palmer called the meeting to order 1:31 p.m.

H 17: **Joel Sheltroun**, Vice President of Governmental Affairs, presented **H 17** regarding Autocycles. Currently the law would certify this three wheel vehicle as a motorcycle, and requires someone to wear a helmet under the age of 18. There are many safety issues with wearing a helmet inside this vehicle. Wearing a helmet in an enclosed vehicle makes it difficult to hear emergency vehicle sirens, and other warning horns, bells, etc. It also reduces vision and can create blind spots. The Elio is completely enclosed with a roll cage, front and side airbags, three point safety restraints, and is engineered and designed to the highest of automotive safety standards.

Mr. Sheltroun stated the National Highway Traffic Safety Administration (NHTSA) would require anyone travelling through Idaho and Idaho residents driving this autocycle to have a motorcycle endorsement on their driver's license. Many states do not require motorcycle endorsements for a three wheel enclosed vehicle. People without a motorcycle endorsements traveling in or through Idaho from other states could receive a traffic citation and have their vehicle impounded. Autocycles handle like automobiles, not motorcycles so only an automobile driver's license should be required to operate.

Mr. Sheltroun defined what he believed should be considered the definition of autocycle: a three wheeled motorcycle on which the drivers and passengers ride in a completely enclosed, tandem seating area that is equipped with a roll cage, airbag protection, safety belts for each occupant, anti-lock brakes and is controlled with a steering wheel and pedals.

MOTION: **Rep. King** made a motion to send **H 17** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Monks** requested that he be recorded as voting **NAY**. **Chairman Palmer** will sponsor the bill on the floor.

H 52: **Richard Turner**, Military Division, presented **H 52** regarding the Youth Challenge Program and to repeal sunset. The Idaho Youth Challenge Academy (IDYCA) is a volunteer program for 16-18 year old teens that are at risk of dropping out or have already dropped out of high school. The goal of this program is to give these kids a second chance. Mr. Turner requested the committee remove the sunset from this legislation.

MOTION: **Rep. Wintrow** made a motion to send **H 52** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Harris** requested that he be recorded as voting **NAY**. **Rep. Wintrow** will sponsor the bill on the floor.

H 53: **Captain Stephen Stokes** and **Major Paul Boice** from the Idaho National Guard and the Office of the Staff Judge Advocate, presented **H 53** regarding the Military Justice Code. They explained to the committee the purpose of **H 53** and the three fold parts. 1) It updates the current Idaho Code of Military Justice, which has not been updated since 1975; 2) It brings consistency and uniformity by adopting the Model State Code of Military Justice to Idaho; 3) It resolves several gaps within the current Idaho Code of Military Justice. They explained the difference between Active Duty and National Guard, and that the National Guard is not the same as it was when the ICMJ was enacted in 1975. Lack of uniformity between state codes of military justice has led to inconsistency and frustration by commanders and military personnel. State codes of military justice were designed for a strategic reserve and do not meet the needs of an operational National Guard. Varying codes of military justice cause a lack of parity between National Guard and Active Duty Judge Advocates. The Idaho Code of Military Justice departs significantly from the UCMJ on a number of critical provisions. Some of the key provisions in **H 53** are that it provides 24 hour jurisdiction over Idaho military personnel, but defers to the civilian criminal justice system for civilian offense. It rectifies and updates the non judicial punishment procedure and provides for turn down procedure in all cases.

MOTION: **Rep. Holtzclaw** made a motion to send **H 53** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Holtzclaw** will sponsor the bill on the floor.

Chairman Palmer turned the gavel over to **Vice Chairman Shepherd.**

RS 23474: **Rep. Palmer** presented **RS 23474** regarding highway and bridge vehicle fees. This proposed legislation would allow voters in a county to authorize a temporary increase in vehicle registration, to pay for a specific project. He explained any funds left over on a project would be saved to maintain that project in the future.

MOTION: **Rep. Youngblood** made a motion to introduce **RS 23474.** **Motion carried by voice vote.** **Rep. King** requested that she be recorded as voting **NAY.**

Vice Chairman Shepherd turned the gavel over to **Chairman Palmer.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:53 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Thursday, February 12, 2015

SUBJECT	DESCRIPTION	PRESENTER
RS23589	Off-Highway Vehicles	Rep. Gestrin
RS23535	Liens, Labor/Materials/Motor Vehicle	Rep. Rudolph
RS23548	Motor Vehicles "Place of Business"	Rep. Harris
RS23508C1	Gaseous Special Fuels, Tax	Rep. Kauffman
H 69	Sanitation Trucks	Jerry Deckard
H 70	Tire Load	Jerry Deckard

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

- DATE:** Thursday, February 12, 2015
- TIME:** 1:30 P.M.
- PLACE:** Room EW40
- MEMBERS:** Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow
- ABSENT/
EXCUSED:** Representative(s) Youngblood
- GUESTS:** Jerry Deckard, Assoc. Loggers; Don Williams, ISTC; Roger Seibil, Assoc. Loggers; Daryl Marler, ITD; Garry Takeuchi, ITD; Dave Carlson, AAA; Rex Green, ISIADA; Kevin Hanigan, IADA; Ben Davenport, ATI; Woody Richards
Chairman Palmer called the meeting to order at 1:31 p.m.
- MOTION:** **Rep. Dixon** made a motion to approve the minutes of the February 2, 2015, meeting. **Motion carried by voice vote.**
- RS 23589:** **Rep. Gestrin** presented **RS 23589** regarding off-highway vehicles. All-terrain vehicles, utility type vehicles, and motorbikes displaying a restricted use license plate, may currently travel upon public roads, streets, and highways. Travel upon State highways is generally not allowed. A state highway within city limits is also a city street. This proposed legislation will allow travel upon a state highway within city limits.
- MOTION:** **Rep. Shepherd** made a motion to introduce **RS 23589**. **Motion carried by voice vote.**
- RS 23535:** **Rep. Rudolph** presented **RS 23535** regarding liens, labor/materials, and motor vehicles. This proposed legislation puts a requirement back into Idaho Code, relating to labor and material liens on motor vehicles, that was deleted when **H 14** was passed earlier this session. This would require a written estimate of cost before having the right to file a lien against a vehicle.
- MOTION:** **Rep. Wills** made a motion to introduce **RS 23535**. **Motion carried by voice vote.**
- RS 23548:** **Rep. Packer** presented **RS 23548** regarding motor vehicle's place of business. She stated this would allow a motor vehicle dealership to simply post a phone number in his or her building in lieu of maintaining a certain set of hours each week.
- MOTION:** **Rep. Monks** made a motion to introduce **RS 23548**. **Motion carried by voice vote.**
- UNANIMOUS
CONSENT
REQUEST:** **Chairman Palmer** made a unanimous consent request to move **H 69** up on the agenda, because **Rep. Kauffman** was presenting in another committee, and could not present **RS 23508C1** until later. There being no objection, the request was granted.
- H 69:** **Jerry Deckard** from Loggers Association presented **H 69** regarding sanitation trucks. Previously, a provision for extraneous materials of up to 2,000 pounds on an agriculture truck over gross allowed weight to be forgiven was placed into Idaho Code. This bill allows for the same forgiveness for all agriculture products including forestry related products. **Rep. King** expressed concern with the heavy trucks damaging Idaho roads.

MOTION: **Rep. Bateman** made a motion to send **H 69** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. McDonald** and **Rep. King** requested they be recorded as voting **NAY.** **Chairman Palmer** will sponsor the bill on the floor.

H 70: **Jerry Deckard** from Loggers Association presented **H 70** regarding tire loads. This legislation deals with the steering axle loadings on tires and the steering axle. This does not allow for the steering axle to exceed 20,000 pounds under existing law and with these changes.

MOTION: **Rep. Gestrin** made a motion to send **H 70** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Youngblood** will sponsor the bill on the floor.

RS 23508C1: **Rep. Kauffman** presented **RS 23508C1** regarding gaseous special fuels tax. Operators of motor vehicles powered by gaseous special fuels may purchase a gaseous fuel decal permit, which allows them to pay a flat annual fee at the time of purchase in lieu of paying the equivalent motor fuel tax. This bill will eliminate the gaseous fuel decal thereby requiring these vehicles to pay the tax based on a gasoline energy equivalent. **Rep. Kauffman** stated this bill would make it fair for everyone, and make everyone pay the same tax on their fuel.

MOTION: **Rep. Hixon** made a motion to introduce **RS 23508C1.** **Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the committee was adjourned at 2:13 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #2
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Monday, February 16, 2015

SUBJECT	DESCRIPTION	PRESENTER
<u>RS23584</u>	Exempt Employment, Motor Carriers	Jason Kreizenbeck, President Lobby Idaho
<u>H 96</u>	Driver's Licenses, ID Cards	Chairman Palmer
<u>RS23540</u>	Road Safety, Econ Development Act	Chairman Palmer
<u>RS23494C2</u>	Vehicle Sales and Use Tax Exemption	Rep. Luker
<u>RS23581</u>	Motor Fuels, Repeal, Refund	Rep. Luker
<u>RS23627C1</u>	Rental Fleets	Julie Hart

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Monday, February 16, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** Vice Chairman Shepherd,

GUESTS: Edward Pemble, ITD; Jason Kreizenbeck, Lobby Idaho; Bob Wells, Bureau of Homeland Security; Skip Smyser, ITA; Dan Blocksom, ID Assoc. of Counties; Dave Butzier, AECOM; Dave Carlson, AAA; Laura Lantz, IAHD; Jim Lows, Food Producers of ID; Elizabeth Criner, NWFPA/FWAA; Julie Hart, Westerberg & Associates

Chairman Palmer called the meeting to order at 1:32 p.m.

MOTION: **Rep. Wintrow** made a motion to approve the minutes from the February 4, 2015 and February 6, 2015, meeting. **Motion carried by voice vote.**

RS 23584: **Jason Kreizenbeck**, President for Lobby Idaho, presented **RS 23584**. The purpose of this draft legislation is to provide a specific exemption under the Idaho Employment Security Law regarding owner-operators in the trucking industry in the state. Owner-operators in the trucking industry are in the independent business of leasing trucks to a motor carrier and supplying drivers to operate the leased trucks. Recent court cases that have advanced to the Idaho Supreme Court twice in the last four years have demonstrated the potential misapplication and/or misinterpretation of the current general exemption language in statute when it applies to owner-operators. This legislation would reduce future litigation by providing a clear and concise exemption that can be effectively administered and enforced by the Idaho Department of Labor and reasonably relied upon by motor carriers in the state.

MOTION: **Rep. Wills** made a motion to introduce **RS 23584**. **Motion carried by voice vote.**

**UNANIMOUS
CONSENT
REQUEST:** **Chairman Palmer** made a unanimous consent request to move **RS 23627C1** up on the agenda, because **Rep. Luker** was in another committee, and could not present **RS 23494C2** and **RS 23581** until later. There being no objection, the request was granted.

RS 23627C1: **Julie Hart**, Enterprise Rental Cars, presented **RS 23627C1** regarding rental fleets. This proposed legislation modifies the provision to registration requirements for motor vehicles owned by a rental company. It authorizes an alternative registration card and registration decals for license plates to be issued for a motor vehicle that is owned by a rental company. Ms. Hart explained different colored stickers are an option to help law enforcement identify these vehicles.

MOTION: **Rep. Youngblood** made a motion to introduce **RS 23627C1**. **Motion carried by voice vote.**

Chairman Palmer turned the gavel over to **Rep. Gestrin**.

- H 96:** **Chairman Palmer** presented **H 96** regarding driver's license and ID cards. This bill allows the state to submit a compliance extension to the Department of Homeland Security. Chairman Palmer explained his hopes for the bill is to give the department more time for this issue to be fixed.
- MOTION:** **Rep. Hixon** made a motion to send **H 96** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Chairman Palmer** will sponsor the bill on the floor.
- RS 23540:** **Chairman Palmer** presented **RS 23540** regarding road safety, and the Econ Development Act. This proposed legislation is a complete overhaul on the funding mechanism. Idaho Transportation is short of money to take care of transportation needs and upkeep. Some things this legislation would do is add the following; three additional cents on the transfer fee on most petroleum products at the wholesale level, add an initial eight cents to user fees on gasoline and twelve cents on diesel using existing collection methods, provide for one additional cent to both the gasoline and diesel user fee each year and includes a safeguard provision for the Governor to suspend the annual increase when appropriate, and increase vehicle registration fees and truck user fees. Chairman Palmer explained, that is not an easy position to be in, but he hopes more legislation and ideas will come forward after hearing this RS.
- MOTION:** **Rep. Monks** made a motion to introduce **RS 23540.** **Motion carried by voice vote.** **Rep. Gestrin** turned the gavel back over to **Chairman Palmer.**
- RS 23494C2:** **Rep. Luker** presented **RS 23494C2** regarding vehicle sales and use tax exemption. This proposed legislation amends a section to limit the sales tax exemption for out of state purchasers of motor vehicles, trailers, vessels, ATVs, off road motorcycles, and snowmobiles to those purchasers who are from states not having a sales and use tax. A distribution of the additional revenue is made to the state highway account for construction and maintenance of state highways.
- MOTION:** **Rep. Hixon** made a motion to introduce **RS 23494C2.** **Motion carried by voice vote.** **Rep. King** requested she be recorded as voting **NAY.**
- RS 23581:** **Rep. Luker** presented **RS 23581** regarding motor fuels, repeal, and refund. This bill repeals a section allowing rebate for fuels used outside of state or for certain off road uses. Procedures for rebates are moved for special fuels where they still apply, and which includes changes made by **H 42.** Revenues retained will be distributed according to the existing fuel tax distribution formula.
- MOTION:** **Rep. Youngblood** made a motion to introduce **RS 23581.** **Motion carried by voice vote.**
- ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:28 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Wednesday, February 18, 2015

SUBJECT	DESCRIPTION	PRESENTER
<u>S 1028</u>	Speed Limits	Michael Henderson, Legal Counsel Idaho Supreme Court
<u>H 131</u>	Motor Vehicles, Place of Business	Rep. Packer

If you have written testimony, please provide a copy of it to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Wednesday, February 18, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** Vice Chairman Shepherd, Rep. Kauffman

GUESTS: Michael Henderson, Supreme Court; Daryl Marler, ITD; Steve Richardson, ISP
Chairman Palmer called the meeting to order at 1:33 p.m.

MOTION: **Rep. Wintrow** made a motion to approve the minutes of the February 10, 2015, meeting. **Motion carried by voice vote.**

S 1028: **Michael Henderson**, Legal Counsel Idaho Supreme Court, presented **S 1028** regarding speed limits. This bill has been submitted by the Idaho Supreme Court to correct an omission regarding speed limits. The Idaho Transportation Board has the authority to set reasonable and safe speed limits on interstate highways and state highways. The maximum speed limit on interstate highways is 75 mph, unless the Idaho Transportation Department has concluded on the basis of an engineering and traffic study that an increase to 80 mph is in the public interest. Reasonable and safe speed limits less than the maximum can be set by the Board on interstate and state highways, and in addition, the Board can set differing limits for different times of day, different types of vehicles, and varying weather conditions, as well as other factors bearing on safe speeds. The elements of any offense must be defined by statute. There are 3 sections that allow local authorities to set speed limits in residential, urban, and business districts. There is no "unless otherwise posted" provision in these subsections that defines exceeding a low limit set by the Idaho Transportation Board as an infraction. This bill would remove any confusion and permit enforcement of the legislative intent, which was to allow the Idaho Transportation Board to set reasonable and safe speed limits and to permit the enforcement of those limits by defining exceeding those limits as an infraction.

MOTION: **Rep. Bateman** made a motion to send **S 1028** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. McDonald** will sponsor the bill on the floor.

H 131: **Rep. Packer** presented **H 131**. This bill would allow a motor vehicle dealership to post a phone number on their building instead of maintaining a certain set of hours each week. This would allow for free market to still reign in Idaho. Recently there was a rule passed that would require used car dealers to be open for at least 20 hours a week. They can eliminate that requirement by simply stating because this phone number is posted, they are accessible to the public.

MOTION: **Rep. Wills** made a motion to send **H 131** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Wintrow** requested that she be recorded as voting **NAY.** **Rep. Packer** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 1:46 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Tuesday, February 24, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 132	Gaseous Special Fuels Tax	Rep. Kauffman
H 147	Motor Vehicles, Rental Fleets	Julie Hart
H 146	Motor Fuels, Repeal, Refund	Rep. Luker

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

COMMITTEE SECRETARY

Amber Duke
Room: EW60
Phone: 332-1146
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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Tuesday, February 24, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** Representative(s) Bateman, Kauffman

GUESTS: Dave Carlson, AAA; Don Williams, ISTC; Dennis Tanikuni, Idaho Farm Bureau; Christine Fisher, ITD; Jonathan Parker, IAHD

Chairman Palmer called the meeting to order at 1:31 p.m.

MOTION: **Rep. Wintrow** made a motion to approve the minutes from the February 12, 2015, February 16, 2015, and February 18, 2015, meetings. **Motion carried by voice vote.**

H 132: **Suzanne Budge** from the Idaho Petroleum Council, presented **H 132** regarding gaseous special fuels tax. Currently someone who owns and operates a motor vehicle powered by special fuels can purchase a gaseous fuel decal permit. This allows them to pay an annual fee in lieu of paying the equivalent motor fuel tax. This bill provides the definition of a gaseous special fuel, and defines the conversion factors for liquefied natural gas and compressed natural gas as a diesel gallon equivalent, and gasoline gallon equivalent.

MOTION: **Rep. McDonald** made a motion to send **H 132** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Harris** requested he be recorded as voting **NAY.** **Rep. Kauffman** will sponsor the bill on the floor.

H 147: **Julie Hart**, Westerberg and Associates, presented **H 147** regarding rental fleets. This bill adds provisions to registration requirements for cars owned by a rental company. It allows an alternative registration card and registration decals for license plates to be issued by the rental company for those cars.

MOTION: **Rep. Youngblood** made a motion to send **H 147** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Youngblood** will sponsor the bill on the floor.

Chairman Palmer put the committee at ease at 1:38 p.m.

Chairman Palmer resumed the meeting at 1:45 p.m.

H 146: **Rep. Luker** presented **H 146** regarding motor fuels, repeals, and refunds. He explained to the committee, the fiscal impact changes. The original bill stated it would cause a positive \$8.5 million return to the fuel tax distribution formula. However, after more research the correct figure was \$432,261 that would return to the fuel tax distribution formula. This bill allows a rebate for fuels used outside of state or for certain off road uses. The revenues retained would be distributed according to the existing fuel tax distribution plan. He made clear to the committee that this bill does not apply to special fuels.

Dennis Tanikuni, Assistant Director of Governmental Affairs of the Idaho Farm Bureau spoke **in opposition** to **H 146**. He stated this bill repeals the gasoline refund for a number of uses important to agriculture and all resource based industries.

ORIGINAL MOTION: Rep. Gestrin made a motion to **HOLD H 146** in committee.

SUBSTITUTE MOTION: Rep. King made a substitute motion to send **H 146** to the floor with a **DO PASS** recommendation. **Motion failed by voice vote.**

ROLL CALL VOTE: Rep. Packer called for a **roll call vote** on the original motion to **HOLD H 146** in committee. **Motion failed by vote of 6 AYE and 9 NAY, 2 Absent/Excused.** **Voting in favor** of the motion: Reps. Shepherd, Wills, Gestrin, McDonald, Dixon, and Harris. **Voting in opposition** to the motion: Reps. Hixon, Packer, Youngblood, Holtzclaw, Monks, King, Rudolph, Wintrow, and Palmer. Reps. Bateman and Kauffman were **Absent/Excused.**

MOTION: Rep. King made a motion to **HOLD H 146** for time certain, March 2, 2015.

ROLL CALL VOTE: Chairman Palmer called for a **roll call vote** on the motion to **HOLD H 146** for time certain, March 2, 2015. **Motion carried by a vote of 12 AYE and 3 NAY, 2 Absent/Excused.** **Voting in favor** of the motion: Reps. Wills, Hixon, Packer, Youngblood, McDonald, Dixon, Holtzclaw, Monks, King, Rudolph, Wintrow, and Palmer. **Voting in opposition** to the motion: Reps. Shepherd, Gestrin, and Harris. Reps. Bateman and Kauffman were **Absent/Excused.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:11 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Thursday, February 26, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 129	Off-Highway Vehicles	Rep. Gestrin
H 143	Exempt Employment, Motor Carriers	Jason Kreizenbeck, President, Lobby Idaho
	LHTAC Presentation/Annual Report	Jeff Miles, Interim Administrator

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Thursday, February 26, 2015

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** Vice Chairman Shepherd, Representative(s) Hixon, Wintrow

GUESTS: The sign-in sheet will be retained in the committee secretary's office until the end of the session. Following the end of the session, the sign-in sheet will be filed with the minutes in the Legislative Services Library.

Chairman Palmer called the meeting to order at 1:33 p.m.

H 129: **Rep. Gestrin** presented **H 129** regarding off-highway vehicles. This legislation will allow travel on a state highway within city limits for all terrain vehicles, utility type vehicles, and motorbikes. Each city may restrict this by holding a public meeting.

Jim Kulm, Idaho Recreation Council; **Jim Lowe**, Food Producers of Idaho; **David Claiborne**, Idaho State ATV Association, testified **in support** of the bill.

MOTION: **Rep. Harris** made a motion to send **H 129** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Gestrin** will sponsor the bill on the floor.

H 143: **Jason Kreizenbeck**, President for Lobby Idaho, presented **H 143**. The purpose of this bill is to provide a specific exemption under the Idaho Employment Security Law regarding owner-operators in the trucking industry in the state. It puts into the Idaho Code the principles from a recent Idaho Supreme Court decision on the matter, providing a clearer policy line for use by Idaho trucking companies that employ independent owner-operators. Owner-operators in the trucking industry are in the independent business of leasing trucks to a motor carrier and supplying drivers to operate the leased trucks. Recent court cases that have advanced to the Idaho Supreme Court have demonstrated the potential misapplication and/or misinterpretation of the current general exemption language in statute when it applies to owner-operators. This legislation would hopefully reduce future litigation by providing a clear and concise exemption that can be administered and enforced by the Idaho Department of Labor and reasonably relied upon by motor carriers in the state.

Ryan Meikle, from ITA has had several years experience representing large trucking companies. He gave the committee the specifics on the bill and testified **in support** of the bill.

David Leroy, Attorney representing Western Transport Company; **Brandy Barleman**, CEO of Giltner; **Jason Andrus** of Idaho Falls; **Julie Pipal**, President and CEO of the Idaho Trucking Association; testified **in support** of the bill.

Bob Fick from the Idaho Department of Labor testified **in opposition** to the bill and stated this legislation goes way beyond what is necessary. **Aaron White**, Idaho AFL-CIO testified **in opposition** to the bill.

MOTION: **Rep. Wills** made a motion to send **H 143** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Youngblood** will sponsor the bill on the floor.

Don Ebert, Chairman, Local Highway Technical Assistance Council (LHTAC), gave a brief summary of LHTAC. They represent 288 local jurisdictions and have been in existence for a successful 20 years. The council is made of nine voting members, three each from county cities and highway districts. The council approves all full time positions, approves the acceptance of programs from ITD, and rank construction projects to make recommendations to the ITD Board. They made a decision to hire an outside consultant for a nominal fee to gauge how they are perceived by those they work with and those they serve.

Jeff Miles, PE Interim Administrator, Local Highway Technical Assistance Council (LHTAC), gave an annual report. LHTAC was formed by the legislature in 1994 to elevate the importance of local highway issues and to provide assistance to the local entity. Before LHTAC only 60% of local highway projects made it to the construction phase. There were years where no city projects made it to construction. After LHTAC accepted federal aid in 2001, all eligible projects have made it to construction. The base funding of LHTAC is about one third of 1% of the local share of the HDA account. In 2014 they received \$391,000 from the HDA account. Their goal is to advocate, support, and train, and also provide the best and most efficient assistance to every local highway jurisdiction in Idaho. Currently there are 22 full time positions, which are all at will. They make sure federal aid requirements are met as delegated thru the stewardship agreement with the Idaho Transportation Department.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:09 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 p.m. or Upon Adjournment
Room EW40
Monday, March 02, 2015

SUBJECT	DESCRIPTION	PRESENTER
<u>H 146</u>	Motor Fuels, Repeal, Refund	Rep. Luker
<u>S 1015aa</u>	Motor Vehicle Dealers, Bond Requirement	Daryl Marler, Idaho Transportation Department
<u>S 1016</u>	Driver's license/Commercial Learner's Permit	Ed Pemble, Idaho Transportation Department
<u>H 111</u>	Highways and Bridges, Vehicle Fees	Chairman Palmer

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer
Vice Chairman Shepherd
Rep Wills
Rep Bateman
Rep Gestrin
Rep Hixon

Rep Kauffman
Rep Packer
Rep Youngblood
Rep McDonald
Rep Dixon
Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Monday, March 02, 2015

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** None

GUESTS: Ed Pemble, Idaho Transportation Department; Debra Hall, Idaho Transportation Department; Daryl Marler, Idaho Transportation Department; Michael Chakarun, ISTC; Don Williams, ISTC; Arthur Sysco, APAT Southern Idaho; Mike Cane, PCI/AAA; Lane Triplett, Idaho Coalition for Motorcycle Safety; Sandra Mitchell, IRC; Jonathan Parker, IAHD; Colby Cameron, Sullivan and Reberger.

Chairman Palmer called the meeting to order at 2:50 p.m.

H 146: **H 146** was brought before the committee again.

MOTION: **Rep. King** made a motion to send **H 146** to the floor with a **DO PASS** recommendation.

Rep. Shepherd spoke in **opposition** to the motion and stated the legislation is disproportionate to small companies and is not a good approach. He stated it does not adhere to a user-fee philosophy.

**ROLL CALL
VOTE:** **Chairman Palmer** called for a roll call vote on the motion to send **H 146** to the floor with a **DO PASS** recommendation. **Motion failed by a vote of 6 AYE, 9 NAY, and 2 Absent/Excused. Voting in favor** of the motion: **Chairman Palmer, Reps. Hixon, Youngblood, Monks, King and Wintrow. Voting in opposition** to the motion: **Reps. Shepherd, Wills, Gestrin, Kaufmann, Packer, McDonald, Dixon, Harris, and Holtzclaw. Reps. Bateman and Rudolph** were **Absent/Excused**.

MOTION: **Rep. Gestrin** made a motion to **HOLD H 146** in committee. **Motion carried by voice vote.**

S 1015aa: **Daryl Marler**, Idaho Transportation Department, presented **S 1015aa**, legislation that creates the Idaho Consumer Asset Recovery Fund (ICAR) to increase protection for Idaho consumers purchasing vehicles from licensed retail vehicle dealers. In 2013 the legislature passed a bill sponsored by the Dealer Advisory Board. In the implementation of this legislation it has been noted that it also includes wholesale dealers who are not licensed to retail vehicles to individual customers, they are only allowed to wholesale vehicles to dealers and auto auctions, neither of which are covered under the new ICAR fund for purposes of filing a claim. He stated the ICAR fund which is paid into by licensed retail dealers since July 1, 2013, was designed to replace the current \$20,000 surety bond that dealers have been required to file. This requirement will no longer be necessary for dealers on and after July 1, 2014, if there have been no claims against their surety bond in the past 3 years.

He stated the bond is required for all newly licensed dealers for the first 3 years, as well as paying into the ICAR fund. The bond level has not changed in more than 15 years. The ICAR fund will reimburse a consumer up to \$50,000 for one claim, for a total of \$120,000 per dealer based on court judgment. Since wholesalers aren't covered by the ICAR fund, and therefore should not have to pay into it, it has been recommended by the Dealer Advisory Board that the current \$20,000 surety bond be increased to \$40,000, since that is the only protection dealers and auto auctions would have against a wholesaler.

In response to committee questions, **Mr. Marler** stated the only problem with wholesale dealers is when the title is not provided at auction. He stated the wholesale dealers agree with the bill. He stated it was always the intent to increase the bond amounts to what is in the bill.

MOTION: **Rep. Rudolph** made a motion to send **S 1015aa** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Rudolph** will sponsor the bill on the floor.

S 1016: **Ed Pemble**, Idaho Transportation Department, presented **S 1016**, a bill that implements new Commercial Driver's License Testing and Commercial Learner's Permit standards. He stated legislation is needed to assure compliance with federal regulations. He stated in order to provide consistency across driver programs and simplify programming, a limitation on renewal of Class D and Motorcycle Instruction Permits is proposed to match the same limitation for Commercial Learner's Permits. He stated that 90% of the people who take the test pass. He said if the bill passes, it would go into effect July 8, 2015. He stated the fiscal impact would include providing new info on drivers' licenses and permits. He stated if it is not passed, federal funding to the Department's National Highway Performance and Surface Transportation funds would be affected.

In response to committee questions, **Mr. Pemble** stated this would only affect licenses and permits issued in the state of Idaho. He stated there was a 14-day waiting period after a knowledge and skills test before taking a driving test but that requirement has since been removed.

Arthur Sysco, APAT Southern Idaho, spoke **in opposition** to **S 1016** and stated the state will lose money from persons who purchase a permit more than once. He stated the current system is fine and should not be changed.

Lane Triplett, Idaho Coalition for Motorcycle Safety, spoke **in support** of **S 1016** and stated the bill cleans up the law regarding motorcycle permits. He stated 37% of fatal crashes involve unendorsed riders. He stated permit drivers are dangerous because some people apply over and over for a permit and are granted driving privileges without ever taking a road test and receiving an actual motorcycle endorsement and license.

Ed Pemble was recognized to provide closing testimony. He stated there is a 180-day limitation in the bill and one-renewal for applicants. There is also an accommodation for military personnel to reapply as needed.

MOTION: **Rep. McDonald** made a motion to send **S 1016** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Shepherd, Dixon and Harris** requested to be recorded as voting **NAY**. **Rep. McDonald** will sponsor the bill on the floor.

H 111: **Chairman Palmer** presented **H 111**, a bill that would allow voters in a county to authorize a temporary increase in vehicle registration to pay for a specific project. He stated specific means only one job at a time.

MOTION: **Rep. Bateman** made a motion to send **H 111** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Reps. Harris and King** requested to be recorded as voting **NAY**. **Chairman Palmer** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:30 p.m.

Representative Palmer
Chair

Kasey Winder
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 p.m. or Upon Adjournment
Room EW40
Wednesday, March 04, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 183	Human Trafficking Signs	Rep. Dixon
H 201	Transportation Network Companies	Ken McClure

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

Amber Duke
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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Wednesday, March 04, 2015
TIME: 1:30 pm or Upon Adjournment
PLACE: Room EW40
MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow
**ABSENT/
EXCUSED:** Representative(s) Bateman, Youngblood, Harris
GUESTS: None
Chairman Palmer called the meeting to order at 2:39 p.m.
MOTION: **Rep. Dixon** made a motion to approve the minutes from the February 24, 2015 and February 26, 2015, meeting. **Motion was carried voice vote.**
H 183: **Rep. Dixon** presented **H 183** regarding human trafficking signs. He explained this bill may seem big on the surface, but it is a serious topic and Idaho could be more educated on this issue. This legislation will allow non-profit anti-human trafficking organizations to place signs and posters that contain the contact information for state and national human trafficking hotlines in and around rest areas alongside state and interstate highways.
Savannah Hicks spoke on behalf of **H 183**. Right now Idaho has one of the lowest rates in the country with regards to human trafficking. This bill would allow the victims going through our state to have a chance at getting help. The numbers put on the signs are emergency numbers geared specifically towards human trafficking victims. She answered the committee's questions and explained that while it is what they would like to see happen, it is up to the people in charge of the rest areas to decide if the signs can be placed inside the bathrooms.
MOTION: **Rep. Packer** made a motion to send **H 183** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Dixon** will sponsor the bill on the floor.
Chairman Palmer explained to the committee **H 201** was going to be rescheduled for a different date.
ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:50 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 pm or Upon Adjournment
Room EW40
Tuesday, March 10, 2015

SUBJECT	DESCRIPTION	PRESENTER
<u>S 1082</u>	Highway Districts, Nonpaper Mediums	Laura Lantz, Associate Director, Idaho Association of Highway Districts
<u>H 201</u>	Transportation Network Companies	Ken McClure
<u>RS23810</u>	Transportation Network Companies	Ken McClure
<u>RS23806</u>	Transportation Funding Mechanism	Rep. Monks/Rep. Chaney
<u>RS23772</u>	Transportation Funding	Rep. Harris

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Tuesday, March 10, 2015

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** Representative(s) Wills

GUESTS: The sign-in sheet will be retained in the committee secretary's office until the end of the session. Following the end of the session, the sign-in sheet will be filed with the minutes in the Legislative Services Library.

Chairman Palmer called the meeting to order at 1:31 p.m.

MOTION: **Rep. Wintrow** made a motion to approve the minutes of the March 2, 2015 and March 4, 2015 meetings. **Motion carried by voice vote.**

S 1082: **Steve Price**, the General Council for the Ada County District, presented **S 1082** regarding highway districts, non-paper mediums. This legislation would update highway district public records retention requirements to allow a photographic or digital storage of the record and the release or destruction of paper records. During the retention period, records cannot be altered. This kind of record would be identified as an original record and could be admissible in administrative proceedings or in court as an original record.

MOTION: **Rep. Hixon** made a motion to send **S 1082** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Hixon** will sponsor the bill on the floor.

Chairman Palmer informed the committee the agenda would be adjusted due to Mr. McClure's inability to be in committee because he was presenting in another meeting at this time.

RS 23806: **Rep. Monks** and **Rep. Chaney** presented **RS 23806** regarding a transportation funding mechanism. Rep. Chaney explained that every dollar we spend today will provide a savings in cost later. The motor fuel tax will increase by five cents per gallon. Additional funds will be generated from future growth. If revenue increases by more than four percent from the previous year, four-tenths of one percent (.4%) of the total revenue collected by the State will be distributed to the highway distribution account. When the total ongoing appropriations from future growth to the highway distribution account reaches twenty million dollars on an aggregate basis, the motor fuel tax will be reduced by one cent. For every additional cumulative twenty million dollars, the motor fuel tax will be reduced by another one cent until the motor fuel tax reaches its current level. It also increases the transfer fee by two cents per gallon, and the electric and hybrid vehicle registration will be increased by an amount equivalent to the fuel tax increase.

MOTION: **Rep. Gestrin** made a motion to introduce **RS 23806**. **Motion carried by voice vote.** **Rep. King** requested she be recorded as voting **NAY**.

RS 23772: **Rep. Harris** presented **RS 23772** regarding transportation funding. This legislation assumes year-over-year growth to the General Funds of approximately 5.5% for fiscal year 2017. By making a "one-year sacrifice" to hold to prior year's budgets across the board and by all agencies for fiscal year 2017, up to \$120,000,000 would thereby be available for transfer to the highway distribution account. This amount would continue to be appropriated year-by-year. For fiscal year 2018 and beyond, General Fund growth would once again be available for typical spending growth. After the Joint Finance and Appropriations Committee has completed its fiscal year 2017 budget setting process for mandatory state General Fund expenditures as outlined in this bill, the remaining balance in the state General Fund, up to \$120,000,000 will be dedicated to the highway distribution account.

MOTION: **Rep. Hixon** made a motion to introduce **RS 23772. Motion carried by voice vote.**
Rep. King requested she be recorded as voting **NAY**.

H 201: **Ken McClure** presented **H 201** on behalf of Uber Transportation Network companies. This bill provides a framework for the operation of transportation network companies in Idaho. Mr. McClure described what Uber is to the committee. He said Uber can be used in the same way a traditional taxi cab is used. Because of technology, the Uber app is easier to use than the taxi services. The driver must pass a background check, show proof of insurance, have a vehicle inspection done by a mechanic at a local garage, and then upload vehicle inspection documents on the Uber website. The rider has an app on their iPhone that notifies the driver when they need to be picked up. A person can sign up for Uber, download their app, give their credit card information, and enter an address/destination. Fair will be charged for services, but the app will alert the rider what the fair structure is. This must be provided before service is supplied.

Russell Westerberg, spoke **in opposition** to **H 201**. He state the city of Boise has been working with Mr. McClure to resolve this issue. Monitoring the drivers would be hard without basic background checks similar to the ones ISP offers. Mr. Westerberg said fingerprint background checks are not an unreasonable requirement.

Brice Bennett, Manager in Idaho for Uber, spoke **in support** of **H 201**. He stated safety has always been their top priority. They have a contingent insurance policy in place, and great benefits. There is a level of accountability with the driver and rider. After every trip the driver can be given a one to five star rating. The rider can also receive this rating. Anytime anyone gives a three star rating, customer service will reach out to them.

Douglas Schoenborn, Boise Police Department, spoke **in opposition** to **H 201**. He said safety is also the police department's number one concern. Having structured background investigations adds to the safeguards of the citizens of Boise.

Wayne Hoffman, Idaho Freedom Foundation, spoke **in support** of **H 201**. He stated this is the very definition of free market innovation. If there is any kind of confrontation, a record will be kept of which car it was and who was driving.

Mary Erslund, a driver for Uber, spoke **in support** of **H 201**. She has given more than 700 trips to people, and has maintained her five star rating.

MOTION: **Rep. Bateman** made a motion to **HOLD H 201** in committee. **Motion carried by voice vote.**

RS 23810: **Ken McClure** presented **RS 23810** regarding Transportation Network companies. This RS is similar to **H 201**, but has minor changes. The changes were drafted entirely at the request of the insurance company. It was his hope that these amendments would remove others objections to **H 201**. If this RS becomes a bill and passes, it could be available to every citizen in the state. Uber has certain requirements that a driver must pass in order to provide service to passengers.

Hannah Ball, a driver for Uber, wanted to give her perspective to the committee. Ms. Ball is a combat veteran and served ten years, and transitioning into this economy was hard. Uber gave her part time employment and she has been a driver since November. She cleans her car three times a week, offers Sirius radio, gum, mints, and water to her passengers. If the passenger does not know about the cashless system, she walks them through the process and helps them understand how Uber works.

Dawn Peck, Idaho State Police, informed the committee that there are differences in paper background checks and fingerprint background checks. The fingerprint background check is the most complete check. In a name based system, there will not always be a match if someone gives a different name at the time of arrest.

ORIGINAL MOTION:

Rep. King made a motion to introduce **RS 23810**.

SUBSTITUTE MOTION:

Rep. Bateman made a substitute motion to introduce **RS 23810** and recommend it be sent directly to the Second Reading Calendar.

AMENDED SUBSTITUTE MOTION:

Rep. Wintrow made an amend substitute motion to return **RS 23810** to the sponsor. **Motion failed by voice vote.**

VOTE ON SUBSTITUTE MOTION:

Motion carried by voice vote. Rep. Monks will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 4:09 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 p.m. or Upon Adjournment
Room EW40
Monday, March 16, 2015

SUBJECT	DESCRIPTION	PRESENTER
<u>SCR 102</u>	LHTAC Evaluation	Senator Brackett
<u>S 1084</u>	Support Our Troops Plates	Roy Eiguren
<u>H 192</u>	Pet Friendly License Plates	Rep. Kloc
	Emergency Communications Commission	Craig Logan, ECC 911 Program Manager

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

Amber Duke
Room: EW60
Phone: 332-1146
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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

- DATE:** Monday, March 16, 2015
- TIME:** 1:30 pm or Upon Adjournment
- PLACE:** Room EW40
- MEMBERS:** Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow
- ABSENT/
EXCUSED:** Representative(s) Wills, Monks
- GUESTS:** Rick Just; Caitlin Rusche, IAC; Craig Logan, IECC; Jeff Miles, LHTAC; Laura Lantz, IAHD; Jeff Rosenthal, CEO Idaho Humane Society
- Chairman Palmer** called the meeting to order at 1:33 p.m.
- SCR 102:** **Senator Brackett** presented **SCR 102** regarding the Local Highway Technical Assistance Council (LHTAC). The mission of LHTAC is to assist local highway districts and was established 20 years ago. This Concurrent Resolution requests that the Joint Legislative Oversight Committee (JLOC) direct the Office of Performance Evaluations (OPE) to develop a scope of work and oversee an independent evaluation of the operational effectiveness of LHTAC's mission. JLOC would direct an independent consultant; the contractor would report the findings, and conclusions to the members of the committee. This would provide the committee with the knowledge on how LHTAC spends money, and would reassure the state is getting the value from the money spent.
- MOTION:** **Rep. Youngblood** made a motion to send **SCR 102** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Youngblood** will sponsor the bill on the floor.
- S 1084:** **Roy Eiguren** presented **S 1084** regarding the Support Our Troops license plates. This legislation is an administrative update to statute. The amendments: 1) it clarifies that the proceeds from the plate are used for the benefit of Idaho's service members. 2) It updates the statute to reflect corporate mergers made for efficiency, and 3) makes grammatical corrections. Mr. Eiguren explained to the committee that the corporation is exceeding their minimum base.
- MOTION:** **Rep. Bateman** made a motion to send **S 1084** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Bateman** will sponsor the bill on the floor.
- H 192:** **Rep. Kloc** presented **H 192** regarding Pet Friendly license plates. The funds raised from creating this plate would go towards assisting low income families with the cost of spaying/neutering their pets by a local veterinarian. For every \$25, \$13 would go towards roads and bridges, and the other \$12 would go towards spay and neuter programs. This creates a way for people to support local animal shelters.
- Jeff Rosenthal**, Veterinarian and CEO of the Idaho Humane Society, spoke **in support** of **H 192**. He stated every dollar spent on spaying and neutering, saves \$3 in animal control costs.
- MOTION:** **Rep. Wintrow** made a motion to send **H 192** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Kloc** will sponsor the bill on the floor.

Craig Logan, Idaho Emergency Communications Commission (IECC) 911 Program Manager, gave the committee an annual report on the IECC. There are currently 46 public safety answering points (PSAP) in Idaho, 40 are operated by county sheriff's offices, five by cities through their police departments or by contract with another city, and four counties (Twin Falls, Jerome, Lincoln, and Gooding) are served by a regional PSAP known as SIRCOMM. There are currently two secondary PSAPs in Idaho operated by the Idaho State Police. Mr. Logan gave a brief overview of the Commission's budget.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:09 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AMENDED AGENDA #1
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 pm or Upon Adjournment
Room EW40
Wednesday, March 18, 2015

SUBJECT	DESCRIPTION	PRESENTER
S 1061aa	Highway Commissioner Terms	Senator Brackett
H 260	Transportation Funding	Rep. Monks
RS23885	Transportation Funding	Rep. Vander Woude

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer Rep Kauffman
Vice Chairman Shepherd Rep Packer
Rep Wills Rep Youngblood
Rep Bateman Rep McDonald
Rep Gestrin Rep Dixon
Rep Hixon Rep Harris

Rep Holtzclaw
Rep Monks
Rep King
Rep Rudolph
Rep Wintrow

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Wednesday, March 18, 2015

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** Representative(s) McDonald

GUESTS: The sign-in sheet will be retained in the committee secretary's office until the end of the session. Following the end of the session, the sign-in sheet will be filed with the minutes in the Legislative Services Library.

Chairman Palmer called the meeting to order at 1:30 p.m.

S 1061aa: **Senator Brackett** presented **S 1061aa** regarding highway commissioner terms. This legislation would provide a three year term of office and a transition period in the election cycle of local highway district commissioners. Candidates for one of the three local highway district commissioner seats will appear on an election ballot annually after they have come through the transition period.

MOTION: **Rep. Kauffman** made a motion to send **S 1061aa** to General Orders. **Motion carried by voice vote.** **Chairman Palmer** will sponsor the bill on the floor.

Rep. Kauffman and **Rep. Youngblood** invoked Rule 38 stating a possible conflict of interest. They are both highway commissioners.

H 260: **Rep. Chaney** presented **H 260** regarding transportation funding. He told the committee that the transportation funding issue is a safety and economic development issue. Rep. Chaney made it very clear to the committee that registration fees would not be included in this bill. The reason for that was to streamline this bill so a step forward could be made, and registration could become its own legislation.

Rep. Monks also presented **H 260**. A summary of the transportation finance bill was presented. This legislation would increase gas tax 5 cents. If the receipts to the general revenue fund exceed 4% of revenue, then .4% of the general revenue fund would go to the Highway Distribution Account. The increase is cumulative, meaning every time \$20 million is reached in the aggregate, the gas tax is reduced by 1 cent until 25 cents of tax is reached. The present amount is based on 5 cents gas and no excess of growth over 4%, the minimum amount received. This legislation also defines electric and hybrid vehicles. It creates an additional registration fee for electric and hybrid vehicles to \$120 and \$65. This is to commensurate the gas tax increase. It will also eliminate the suspension of the transfer fee. It will increase the transfer fee by 2 cents. Seventy percent will go to the Highway Distribution Account, 7% to State Highway Account, and 3% to Parks and Recreation until 150% of fiscal distribution is reached. Twenty percent will go to the Idaho Petroleum Clean Water transfer fund until \$35 million is reached, then the remainder would go into the Highway Distribution Account. In 2014, revenue exceeded budget by 5.5% which means that .4% of the General Fund would have generated approximately 12.5 million above the minimum amount.

David Lincoln, Idaho Association of Highway Districts spoke **in support** of **H 260**. He stated some of the districts have turned asphalt roads into gravel roads. The public has spoken and it is clear they want and need transportation to do something now.

Robin Nettinga, Idaho Education Association, spoke **in opposition** to **H 260**. She stated this bill would remove money from the General Fund and this is the only fund that the state draws upon to fund public schools. **Rep. Packer** pointed out to the committee that if the roads are not safe then neither is the school buses that transfer the kids. Ms. Nettinga said until we explore other options they would prefer money not be siphoned from the General Fund.

Phil Hardy, Strategies 360, spoke **in opposition** to **H 260**.

Dave Carlson, AAA Idaho, spoke **in opposition** to **H 260**. He stated this legislation does not go far enough, targets passenger vehicles, and gives the trucking industry a free pass.

Jim Riley, Idaho Transportation Coalition, gave testimony on **H 260**. He reviewed letters from long term Idaho companies showing support for transportation funding.

Russ Hendricks, Farm Bureau, spoke **in opposition** to **H 260**. He stated the opposition they have is centered on one feature of the bill, and that is the transfer fee. He does not believe this is an appropriate way to raise tax.

Dave Butzier, A ECON, spoke **in support** of **H 260**. He believed this bill would be a good start in funding our transportation needs, but we still need more.

Brent Olmstead, Milk Producers of Idaho, spoke **in opposition** to **H 260**. He stated if the transfer fee was not in the bill, they would probably support it.

Jeremy Chew, from Givens Pursley, spoke **in support** of **H 260**. He stated that the realtors are also in support of this bill. He stated the transfer fee is not a hidden tax because people are already paying a 1 cent transfer fee.

ORIGINAL MOTION:

Rep. Hixon made a motion to send **H 260** to the floor with a **DO PASS** recommendation.

SUBSTITUTE MOTION:

Rep. King made a substitute motion to **HOLD H 260** in committee.

ROLL CALL VOTE ON SUBSTITUTE MOTION:

Rep. King requested a roll call vote on the substitute motion to **HOLD H 260** in committee. **Substitute motion failed by a vote of, 2 AYE, 14 NAY, 1 Absent/Excused. Voting in favor** of the substitute motion: **Reps. King and Wintrow. Voting in opposition** to the substitute motion: **Reps. Shepherd, Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, Dixon, Harris, Holtzclaw, Monks, Rudolph, and Chairman Palmer. Rep. McDonald was absent/excused.**

ROLL CALL VOTE ON ORIGINAL MOTION:

Rep. King requested a roll call vote on the original motion to send **H 260** to the floor with a **DO PASS** recommendation. **Motion carried by a vote of 12 AYE, 4 NAY, 1 Absent/Excused. Voting in favor** of the original motion: **Reps. Wills, Gestrin, Hixon, Kauffman, Packer, Youngblood, Dixon, Harris, Holtzclaw, Monks, Rudolph, and Chairman Palmer. Voting in opposition** to the original motion: **Reps. Shepherd, Bateman, King, and Wintrow. Rep. McDonald was absent/excused. Rep. Monks will sponsor the bill on the floor.**

RS 23885:

Rep. Vander Woude stated the RS packets were not available for the committee in time for the meeting.

UNANIMOUS CONSENT REQUEST:

Rep. Holtzclaw asked unanimous consent to **HOLD RS 23885** in committee until the next meeting. There being no objection, the request was granted.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:08 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 p.m. or Upon Adjournment
Room EW40
Friday, March 20, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 299	Transportation, Fees	Rep. Vander Woude
S 1120	Driver Training, Course Fees	Senator Tippetts

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Friday, March 20, 2015

TIME: 1:30 pm or Upon Adjournment

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/
EXCUSED:** Representative(s) Hixon

GUESTS: The sign-in sheet will be retained in the committee secretary's office until the end of the session. Following the end of the session, the sign-in sheet will be filed with the minutes in the Legislative Services Library.

Chairman Palmer called the meeting to order at 1:31 p.m.

MOTION: **Rep. Wintrow** made a motion to approve the minutes of the March 10, 2015, meeting. **Motion carried by voice vote.**

Chairman Palmer put the committee at ease at 1:33 p.m. The agenda was adjusted to allow **S 1120** to be heard before **H 299**. The committee was called back to order at 1:35 p.m.

S 1120: **Rep. Packer** presented **S 1120** regarding driver's training course fees. Currently, the \$5 fee retained by paying for a class D driver's license is paid to the driver training account regardless of whether the student is enrolled in driver's training through public school or through a private driving school. This bill would require the \$5 fee is paid to either the driver training account (if the person is taking driver's training from a public school), or the Bureau of Occupational Licenses for deposit in the State Treasury to the credit of the Occupational Licenses Fund (if the person is taking the training from a private driver's training program).

MOTION: **Rep. Wills** made a motion to send **S 1120** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Gibbs** will sponsor the bill on the floor.

H 299: **Rep. Vander Woude** presented **H 299** regarding transportation fees. This legislation would remove the money from the gas tax that was going to the Idaho State Police, and put it into transportation funding. The trust fund will also receive the revenue produced by a transfer fee of three cents per gallon on the delivery or storage of all petroleum products. The application fee and one cent of every three cents of transfer fees collected will be remitted to the State Treasurer for deposit into the Idaho Petroleum Clean Water Trust Fund. The two cents of every three cents of all transfer fees collected will be divided. Sixty percent will go to the state highway account, and 40% will be distributed to the local highway districts. **Rep. Vander Woude** explained how this bill would also increase registration prices. The legislative intent found in this bill states that it is the intent of the legislature that on or before January 1, 2021, there shall be imposed on all commercial vehicles, irrespective of body type, and on all farm vehicles having a maximum gross weight in excess of 60,000 pounds, an annual registration fee and an operating fee by weight class based on the total miles the owner operated such vehicle on roads and highways in the state, county, city, and highway district in Idaho each quarter of the calendar year. An electric vehicle fee of \$205 will be collected in addition to all other registration fees, and a hybrid vehicle fee of \$100 will be collected in addition

to all other registration fees. When the budget increases over 4%, by statute 1% of the budget of the total revenue has to go into the budget stabilization account. This takes 1/3 of that money and puts it into the GARVEE debt service account. A gas tax increase to 30 cents per gallon will also be imposed. The total amount expected to be raised for transportation maintenance is \$135 million.

Dave Butzier, ACEC; **Stuart Davis**, IAHD; **Seth Grigg**, AIC; **Caitlyn Rusche**, IAC; **Mike Kane**, AAA, all spoke **in support** of **H 299**.

Brent Olmstead, Milk Producers of Idaho; **Russ Hendricks**, Idaho Farm Bureau, spoke **in opposition** to **H 299**.

MOTION: **Rep. Kauffman** made a motion to send **H 299** to the floor with a **DO PASS** recommendation.

ROLL CALL VOTE: Roll call vote was requested. **Motion failed by a vote of 2 AYE, 14 NAY, 1 Absent/Excused.** **Voting in favor** of the motion: **Reps. Kauffman and Youngblood.** **Voting in opposition** to the motion: **Reps. Shepherd, Wills, Bateman, Gestrin, Packer, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow, and Chairman Palmer.** **Rep. Hixon was absent/excused.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:38 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 p.m. or Upon Adjournment
Room EW40
Thursday, March 26, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 310	Transportation, Apportionment	Rep. Monks
H 312	Transportation, Vehicle Fees	Rep. Palmer

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

- DATE:** Thursday, March 26, 2015
- TIME:** 1:30 pm or Upon Adjournment
- PLACE:** Room EW40
- MEMBERS:** Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow
- ABSENT/
EXCUSED:** None
- GUESTS:** Dennis Tanikuni, Idaho Farm Bureau; Jerry Whitehead, ITD; Gerald Tews; Mike Kane, AAA; Brent Olmstead; Phil Homer, IASA
- Chairman Palmer** called the meeting to order at 3:16 p.m.
- MOTION:** **Rep. Wintrow** made a motion to approve the minutes of the March 16, 2015 and the March 18, 2015, meetings. **Motion carried by voice vote.**
- H 310:** **Rep. Monks** presented **H 310** regarding apportionment of transportation. This legislation removes Idaho State Police (ISP) from the Highway Distribution Account funding formula, and changes the formula to a 40/60 split. Forty percent would go to local units of government, and 60% to the State Highway Account. Moving ISP out of the Highway Distribution Account funding formula keeps \$16 million in the Highway Distribution Account. The State Controller will transfer from General Fund collections to the State Highway account in an amount equal to 1/3 of the amount transferred into the Budget Stabilization Fund.
- Rep. McDonald** and **Rep. Wills** both expressed concern for ISP losing part of their budget. There was no guarantee that JFAC had a plan to make sure the ISP received their \$16 million.
- Phil Homer**, Idaho Association of School Administrators and the Idaho Education Association, spoke **in opposition** to **H 310**.
- Rep. Youngblood** stated he is a member of JFAC and carries ISP's budget and cannot support **H 310** as the \$16 million represents close to 25% of their annual budget. He also stated he did not know how we would replace those funds from General Funds.
- MOTION:** **Rep. Hixon** made a motion to send **H 310** to the floor with a **DO PASS** recommendation.
- ROLL CALL
VOTE:** Roll call vote was requested. **Motion carried by a vote of 9 AYE, 8 NAY. Voting in favor** of the motion: **Reps. Shepherd, Gestrin, Hixon, Packer, Dixon, Harris, Holtzclaw, Monks, and Chairman Palmer. Voting in opposition** to the motion: **Reps. Wills, Bateman, Kauffman, Youngblood, McDonald, King, Rudolph, Wintrow. Rep. Monks** will sponsor the bill on the floor.
- Chairman Palmer** turned the gavel over to **Vice-Chairman Shepherd**.
- H 312:** **Chairman Palmer** presented **H 312** regarding transportation vehicle fees. This legislation increases the cost of registration on all vehicles registered in the state of Idaho by \$15, and increases registration on motorcycles by \$6. Chairman Palmer explained to the committee his reasoning behind only putting registration increases in this bill. Those reasons were to make it as simple as possible without too many other things added to it.

Gerald Tews representing himself spoke **in support** of **H 312**.

Brent Olmstead, Milk Producers of Idaho, spoke **in support** of **H 312**.

Vice-Chairman Shepherd turned the gavel back over to **Chairman Palmer**.

MOTION: **Rep. Youngblood** made a motion to send **H 312** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote**. **Chairman Palmer** will sponsor the bill on the floor.

Rep. Youngblood and **Rep. Kauffman** declared Rule 38.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:53 p.m.

Representative Palmer
Chair

Amber Duke
Secretary

AGENDA
HOUSE TRANSPORTATION & DEFENSE COMMITTEE
1:30 P.M.
Room EW40
Wednesday, April 08, 2015

SUBJECT	DESCRIPTION	PRESENTER
H 312aaS	Transportation, Vehicle Fees, Discussion	

If you have written testimony, please provide a copy of it along with the name of the person or organization responsible to the committee secretary to ensure accuracy of records.

COMMITTEE MEMBERS

Chairman Palmer	Rep Kauffman	Rep Holtzclaw
Vice Chairman Shepherd	Rep Packer	Rep Monks
Rep Wills	Rep Youngblood	Rep King
Rep Bateman	Rep McDonald	Rep Rudolph
Rep Gestrin	Rep Dixon	Rep Wintrow
Rep Hixon	Rep Harris	

COMMITTEE SECRETARY

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MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Wednesday, April 08, 2015
TIME: 1:30 P.M.
PLACE: Room EW40
MEMBERS: Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow
**ABSENT/
EXCUSED:** None
GUESTS: None
Chairman Palmer called the meeting to order at 1:42 p.m.
H 312aaS: **Chairman Palmer** explained the amendments to the committee. It was recommended that the committee look over the amendments and make a recommendation to the House. Because of the amendments, Chairman Palmer recommended that the committee do not concur with the amendments.
MOTION: **Rep. Monks** made a motion to not concur with the amendments made in the Senate to **H 312aaS**.
**ROLL CALL
VOTE:** Roll call vote was requested. **Motion carried by 17 AYE, 0 NAY. Voting in favor of the motion: Reps. Shepherd, Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow, and Chairman Palmer.**
ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 1:46 p.m.

Representative Palmer
Chair

Amber Duke
Secretary