

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Monday, March 27, 2017

TIME: 1:30 P.M.

PLACE: Room EW42

MEMBERS: Chairman Collins, Vice Chairman Trujillo, Representatives Moyle, Raybould, Anderst (Minnette), Dayley, Hartgen, Kauffman, Chaney, Nate, Thompson, Gestrin, Stevenson, Troy, Erpelding, Gannon

**ABSENT/
EXCUSED:** None

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 Library.

Chairman Collins called the meeting to order at 1:32 P.M.

MOTION: **Rep. Trujillo** made a motion to approve the minutes of Thursday, March 23rd, 2017. **Motion carried by voice vote.**

H 67 aaS, aaS: **Senator Bayer** presented **H 67 aaS, aaS**. The amendments to the legislation create a tax exemption for the purchase of food intended for human consumption, and also establishes complimentary language addressing the definition of eligible food, flow of information, revenue sharing, and other logistical components. He explains this is more straightforward than a tax credit and many other states have similar laws in place.

Fred Birnbaum, Idaho Freedom Foundation, spoke **in support** of the legislation. Despite concerns with states that have passed similar legislation, he argues Idaho is unique enough to dispel concerns. He also believes the costs will be offset by the revenue from recent legislation will bring tax revenue to the state. He believes this legislation allows lawmakers to focus on citizens as people who need to feed their families rather than as a revenue source.

Steve Ackerman, resident of Idaho, spoke **in support** of the legislation. He believes the average Idahoan would save approximately \$45.00 a month if the legislation were to become law. He also believes the extra money available to Idahoans will help offset the loss of state revenue.

Bob Neugebayer, publisher of the Gem State Patriot, spoke **in support** of the legislation. He believes repealing this tax will play an integral role in helping Idaho citizens be healthy by giving them more money to spend on nutritional options. He also argues the tax disproportionately targets the poor who spend a greater proportion of their money on food than those who are more wealthy. Consequently, he sees the law as unnecessarily taxing the people who need the most financial flexibility. He also argues the increased choice in food options would ultimately reduce medical costs because Idahoans would have more autonomy in making nutritional food choices.

Darcy James, IIRAH, spoke **in support** of the legislation. She believes the taxes will substantially hurt taxpayers unnecessarily as food prices rise. She also believes there should not be a tax on human necessities such as food.

Eileen Stadowski, Idaho's Farmers Market Association, spoke **in support** of the legislation. She argues the legislation would help keep farmer's market prices stable.

Tammy Nichols, Idaho taxpayer, spoke **in support** of the legislation. As a mother, she has calculated she spends from \$1,200.00 to \$1,500.00 a year on grocery taxes. Often times, she crosses state lines to save money on groceries.

Julia Page, board member of the Idaho Organization of Resource Councils, spoke **in support** of the legislation. She believes the current grocery tax is cumbersome, inefficient, and unfairly targets Idahoans who are struggling the most.

Kay Hummel, Idaho Citizen, spoke **in support** of the legislation. She gave a brief history of her family who came to Idaho to pursue new opportunities in 1895. She believes removing the grocery tax will enable more people to do the same and will help those who are already here. She sees many people struggling across the state, and many are compelled to cross state lines to avoid Idaho taxes. She believes the new taxes Amazon will pay the state will help to offset the loss of state revenue.

Seith Grigg, Executive Director of the Association of Idaho Cities, explained although he opposed the original amendment, the Association of Idaho Cities are now neutral toward the legislation rather than opposed.

Christina Stucker-Gassi, volunteer with the Agriculture Industry Task Force, spoke **in support** of the legislation.

Senator Bayer explained there are a variety of moral, business, and economic arguments to be made in favor of this legislation. He also believes this is wonderful timing for the legislation.

MOTION: **Rep. Thompson** made a motion to concur with the amendments made in the senate to **H 67 aaS, aaS**.

Rep. Hartgen spoke **in support** of the motion despite his concerns with the S.N.A.P. eligibility standard.

ROLL CALL VOTE: **Rep. Trujillo** requested a roll call vote on the motion. **Motion carried by a vote of 16 AYE and 0 NAY. Voting in favor of the motion: Reps. Collins, Trujillo, Moyle, Raybould, Anderst, Dayley, Hartgen, Kauffman, Chaney, Nate, Thompson, Gestrin, Stevenson, Troy, Erpelding, Gannon. Rep. Moyle** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 2:42 P.M.

Representative Collins
Chair

Fred Swanstrum
Secretary