

MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Friday, February 10, 2023

TIME: 1:30 P.M.

PLACE: Room EW40

MEMBERS: Chairman Palmer, Vice Chairman Mitchell, Representatives Dixon(1), Holtzclaw (Yorgason), Monks, Blanksma, Manwaring, Shepherd, Crane(12), Handy, Hill, Lanting, Miller, Petzke, Yamamoto, Gannon, Burns

**ABSENT/
EXCUSED:** Representative(s) Crane(12), Hill, Miller, Burns

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

Chairman Palmer called the meeting to order at 1:29pm.

Chairman Palmer announced, moving forward, public testimony on legislation before the committee will no longer be taken remotely, only in person.

RS 30252: **Rep. Mitchell**, District 6, stated this proposed legislation provides an update to ensure auto manufacturers or distributors shall reimburse dealers for actual labor time as rendered, and use the prevailing retail price for parts and supplies.

MOTION: **Rep. Blanksma** made a motion to introduce **RS 30252. Motion carried by voice vote.**

Rep. Gannon declared Rule 80 for **RS 30252, RS 30254, and RS 30173.**

RS 30254: **Rep. Mitchell**, District 6, stated this proposed legislation will strengthen the independence of Idaho's auto dealers and protect the balanced contractual relationship between the retailers and the large international manufacturers. This includes an update to auto dealer franchise agreements, including termination or non-renewal requirements, protest requirements, and provisions for mediation of disputes.

MOTION: **Rep. Dixon (1)** made a motion to introduce **RS 30254. Motion carried by voice vote.**

RS 30173: **Rep. Petzke**, District 21, stated this proposed legislation will give flexibility to automotive dealers who seek modifications to the uniform time allowance schedule for warranty diagnostic and repair work, or request additional time, if necessary, for repairs on individual vehicles that are submitted to automobile manufacturers for payment. He commented, several of these RSs before the committee today have different approaches to the same issues. The hope is they will generate conversation to find a solution for all parties.

MOTION: **Rep. Blanksma** made a motion to introduce **RS 30173. Motion carried by voice vote.**

RS 30269: **Rep. Handy**, District 27, stated this proposed legislation creates a definition of "electric fuel" for commercial vehicles in Idaho, and an .008 cent tax per kilowatt hour tax on electric fuel, making it equivalent to the existing tax on motor fuel in **Idaho Code, Section 63-2402**. This RS also establishes a new section, **Idaho Code, Section 63-2427D**, stating the first receiver of electric fuel shall be required to obtain a motor fuel distributor license and use a meter, provided at their own expense, to measure the amount of electric fuel distributed to commercial vehicles. This distributor will be responsible for remitting a monthly report to the Idaho State Tax Commission.

MOTION: **Rep. Dixon (1)** made a motion to introduce **RS 30269**. **Motion carried by voice vote.**

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

RS 29979: **Rep. Palmer**, District 20, stated this proposed legislation amends **Idaho Code, Section 49-1234**, to remove provisions regarding the program to verify financial responsibility and to suspend certain motor vehicle registrations. He commented there have been issues with the online insurance verification program working properly and since the issues have not been resolved, this legislation would end the program.

MOTION: **Rep. Blanksma** made a motion to introduce **RS 29979**. **Motion carried by voice vote.**

RS 30321: **Rep. Palmer**, District 20, stated this proposed legislation amends **Idaho Code, Section 40-719**, to remove a provision regarding the Strategic Initiatives Program Fund and to establish a Strategic Initiatives Grant Program to provide funding for local units of government when state highway projects impact local roads. He commented, \$100 million will be continuously appropriated to the Grant Program, with \$36 million currently earmarked for a specific project.

MOTION: **Rep. Dixon (1)** made a motion to introduce **RS 30321**. **Motion carried by voice vote.**

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

RS 30337: **Rep. Mendive**, District 5, stated this proposed legislation is a replacement for **H 86**, which this committee heard on February 8, 2023. He explained, during the hearing, there were concerns raised about family members, a six-month waiting period, and online instructional training, so **RS 30337** addresses those concerns.

MOTION: **Rep. Blanksma** made a motion to introduce **RS 30337** and recommend it be sent directly to the Second Reading Calendar. **Motion carried by voice vote.** **Rep. Mendive** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 1:44pm.

Representative Palmer
Chair

Tracey McDonnell
Secretary