

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Monday, February 13, 2012  
**TIME:** 9:00 A.M.  
**PLACE:** Room EW42  
**MEMBERS:** Chairman Lake, Vice Chairman Collins, Representative(s) Barrett, Moyle, Raybould, Roberts, Schaefer, Smith(24), Wood(35), Bedke, Harwood, Barbieri, Bayer, Ellsworth, Gibbs, Killen, Burgoyne, Rusche  
**ABSENT/  
EXCUSED:** None.  
**GUESTS:** Dave Goins, Idaho News Service; Suzanne Budge, SBS Assoc. LLC; Dan John, Tax Commission

**Chairman Lake** called the meeting to order at 9:01 am.

**MOTION:** **Rep. Raybould** made a motion to approve the minutes of the February 3, 2012 meeting. **Motion carried by voice vote.**

**H 488:** **Rep. Jaquet** presented **H 488**. This legislation provides for enhanced credit for Sun Valley Adaptive Sports (SVAS) / Higher Ground. **Rep. Hagedorn** is now the co-sponsor. With these enhanced charitable contributions, it is still unknown if there is any impact to the fiscal notes since this is the first year of enhanced contributions. It allows for deductions of \$500 for a single filer, \$1000 for joint filers and a maximum of \$5000 for a corporate contribution. It is projected that 35% of returning service personnel have Post Traumatic Stress Disorder (PTSD). Veterans between the ages of 18-24 have a staggering 35% unemployment rate. One of the things SVAS does is help make the transition to civilian employment.

**Rep. Hagedorn** continued the discussion by talking about the transition to civilian life. Veterans have twice the rate of suicide as non-veterans in the same age group. They also have almost twice the rate of unemployment as their civilian counterparts. The Higher Ground program takes over after retirement from active service. It is critically important to transition these veterans. There are approximately 40,000 organizations helping veterans; SVAS is recognized as one of top 50 organizations. There is a sunset clause of 2016, which was established in last year's legislation.

**Chip (George) Fisher**, Sun Valley Adaptive Sports, and previous CEO of the Special Olympics World Games, stated that there are 350,000 wounded veterans that need some kind of help. This program gives them social rehabilitation and educates them and their families. It is aligned with three different universities. Just recently, conversations with the Bush Library were started to expand across the United States. They hope to forge a pathway for other states to follow in helping these veterans. Their calculations for the fiscal note (\$70,000) was calculated by taking all Idaho donations last year and multiplying it by the proposed tax credit.

**Erin Reinschild**, Sun Valley Adaptive Sports, stated that there are many invisible wounds, such as hyper-vigilance, which transfer into the veterans everyday life. SVAS holds nine camps per year with eight couples (the veteran and a caregiver) per camp. They learn coping and de-stressing strategies as well as how to integrate into society/family. SVAS provides a three year follow-up. They have a program in place that works with three universities; BYU, University of Michigan, and Indiana University. They have been approached by other organizations for tips on how they can also succeed with their program, so they are writing a "Best Practices" document.

In response to Committee questions, **Dan John**, Tax Commission, stated Section 63-3029A was amended in 2010 to include the enhancement of the tax credit.

In response to Committee questions, **Ms. Reinschild** stated that this program is not limited to Idaho veterans. SVAS has also put together 1-3 day camps for Idaho veterans, in conjunction with the Veterans Association. The tax credits are an incentive to Idaho taxpayers to fund the program, but the entire program is not borne by Idahoans. They have never turned anyone away.

**ORIGINAL MOTION:**

**Rep. Killen** made a motion to send **H 488** to the floor with a **DO PASS** recommendation.

**SUBSTITUTE MOTION:**

**Rep. Roberts** made a substitute motion to send **H 488** to General Orders. **Rep. Moyle** seconded the motion. Roll call vote was requested. **Motion carried by a vote of 12 AYE, 1 NAY, 5, Absent/Excused. Voting in favor** of the motion: **Reps. Lake, Barrett, Moyle, Raybould, Roberts, Schaefer, Bedke, Harwood, Barbieri, Bayer, Ellsworth, Gibbs. Voting in opposition** of the motion: **Reps. Collins, Smith(24), Killen, Burgoyne, Rusche. Rep. Wood(35) was absent/excused.**

**RS 21072C1:**

**Rep. Rusche** presented **RS 21072C1**, which provides a finders fee for bringing businesses to Idaho. It is designed to stimulate growth and have companies bring their associate companies to Idaho (supplier or customer). The \$1000 tax credit is split between the established company and the new to Idaho company. It is good for three years with a total limit of \$3,000,000 per year. The new business must be in place for one year before the credit is available.

In response to Committee questions, **Rep. Rusche** stated that last year's bill; "Add One"; is different from this proposed legislation because it is designed to attract associate companies. The new business certification process defines the requirements and criteria. Chobani is anticipating a number of their outsourcing companies to come in to Idaho, and they would all be eligible provided they met the criteria stated. Rep. Rusche has not reviewed the statistics of similar legislation in Delaware, but would be happy to do so. Each incoming company must bring at least three employees, and there is no base pay rate stipulated in the legislation.

**ORIGINAL MOTION:**

**Rep. Gibbs** made a motion to introduce **RS 21072C1**.

**SUBSTITUTE MOTION:**

**Rep. Barrett** made a substitute motion to return **RS 21072C1** to the sponsor. Roll call vote was requested. **Motion carried by a vote of 11 AYE, 6 NAY, 1 Absent/Excused. Voting in favor** of the motion: **Reps. Collins, Barrett, Moyle, Raybould, Roberts, Schaefer, Smith(24), Harwood, Barbieri, Bayer, Ellsworth. Voting in opposition** of the motion: **Reps. Lake, Bedke, Killen, Burgoyne, Rusche, Gibbs. Rep. Wood(35) was absent/excused.**

**ADJOURN:**

There being no further business to come before the committee, the meeting was adjourned at 10:01 am.

---

Representative Lake  
Chair

---

Janet Failing  
Secretary