

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Wednesday, March 22, 2017

TIME: 9:00 A.M.

PLACE: Room EW42

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

**ABSENT/
EXCUSED:** None

GUESTS: Bob VanArnem, citizen; Tami Hamiston, Idaho Department of Administration

Chairman Collins called the meeting to order at 9:01 A.M.

MOTION: **Rep. Dayley** made a motion to approve the minutes of Tuesday, March 14th, 2017. **Motion carried by voice vote.**

MOTION: **Rep. Trujillo** made a motion to approve the minutes of Thursday, March 16th, 2017. **Motion carried by voice vote.**

MOTION: **Rep. Kauffman** made a motion to approve the minutes of Monday, March 20th, 2017. **Motion carried by voice vote.**

HCR 29: **Rep. Anderst** presented **HCR 29** concerning building authority. This resolution starts a process so the state can go through due diligence and establish a sale agreement for a potential state facility based on initial terms established over months of negotiation. After explaining the background and technical details of the potential project, he was asked a variety of questions. In response to concerns regarding the language which may give too much power to the Department of Administration, Rep. Anderst assured it was to allow the department to effectively negotiate a deal. He also assured there are a variety of checks in place to be sure everyone is informed throughout the process.

Wayne Meuleman, Executive Director of Idaho State Building Authority, responded to various concerns from the committee. Regarding concerns about the language within the legislation pertaining to construction authority, he explained any language was only specific to this particular acquisition. Regarding concerns about the bond risk, he explained the risk is low because the state is not financially obligated if the bonds fail which is an already calculated risk. Additionally, he explains this is a safe investment due to its proximity and its marketability if it must be sold in the future.

MOTION: **Rep. Raybould** made a motion to send **HCR 29** to the floor with a **DO PASS** recommendation.

Bob VanArdem, a citizen of Idaho, spoke about his concerns with the nature of the language in the legislation which he wanted to be more strongly worded.

Rep. Nate spoke **in opposition** to the legislation because he feels this is not the best deal nor the right time to buy.

Rep. Trujillo spoke **in support** of the legislation because she believes it is a great deal and is a safe and smart purchase for Idaho.

Rep. Chaney spoke **in support** of the legislation because, despite his concerns for the broad language, he thinks the purchase would be a fast return on investment and would ultimately be very profitable.

Rep. Troy spoke in support of the legislation with slight reservations regarding the time line.

Rep. Gannon spoke in support of the legislation because he believes it is a profitable investment which will increase efficiency and provide a more permanent location for state agencies like the Idaho State Tax Commission which has been renting for years.

Rep. Hartgen spoke in support of the legislation despite his lingering concerns about the language.

VOTE ON ORIGINAL MOTION:

Motion carried by voice vote. Rep. Nate requested he be recorded as voting **NAY. Rep. Anderst** will sponsor the bill on the floor.

H 315:

Rep. Anderst presented **H 315** concerning state building acquisitions. The legislation is a companion bill with **HCR 29** that amends a section to allow the Department of Administration to manage the existing leases if they were to follow through with the acquisition of the facility.

MOTION:

Rep. Trujillo made a motion to send **H 315** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Rep. Anderst** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 9:51 A.M.

Representative Collins
Chair

Fred Swanstrum
Secretary