

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Thursday, March 21, 2024

TIME: 9:00 A.M.

PLACE: Room EW42

MEMBERS: Chairman Cannon, Vice Chairman Ehlers, Representatives Dixon(1), Manwaring, Weber (Mendenhall), Shepherd, Cheatum, Cornilles, Durrant, Mickelsen, Monks, Pickett, Raymond, Wroten, Boyle, Necochea, Burns

**ABSENT/
EXCUSED:** None

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 Dixon(1) called the meeting to order at 9:02 a.m.

MOTION: **Rep. Burns** made a motion to approve the minutes from March 19, 2024. **Motion carried by voice vote.**

RS 31696: **Reps. Cannon** and **Ehlers** presented **RS 31696**, proposed legislation replacing property tax on rate-regulated utilities with a tax based on kilowatt hours sold. The change should result in less litigation, avoid a tax shift to residential property and provide tax stability. Rep. Ehlers reviewed the formula used in determining the tax on kilowatt hours.

The committee inquired regarding taxing districts eligibility, tax determination formula, irrigation rebates and current lawsuits.

ORIGINAL MOTION: **Rep. Pickett** made a motion to introduce **RS 31696**.

SUBSTITUTE MOTION: **Rep. Cheatum** made a substitute motion to return **RS 31696** to the sponsor.

Rep. Cannon addressed concerns regarding constitutionality, how legislation has found solutions regarding litigation historically and encouraged the committee to hear from experts in a full hearing.

In support of the original motion, **Rep. Monks** stated the proposed legislation needs a full hearing so experts have the opportunity to address questions and concerns by the committee and growth is addressed by taxing of kilowatt hours sold. **Rep. Manwaring** cited the significant value in holding a full hearing despite his serious concerns surrounding the proposed legislation.

In support of the substitute motion, **Reps. Raymond** and **Wroten** expressed their concerns the proposed legislation does not address growth and prevents new taxing districts from participating.

ROLL CALL VOTE ON SUBSTITUTE MOTION: **Rep. Boyle** requested a roll call vote. **Substitute motion carried by a vote of 9 AYE and 8 NAY. Voting in favor** of the motion: **Reps. Mendenhall, Cheatum, Cornilles, Mickelsen, Raymond, Wroten, Boyle, Necochea** and **Burns. Voting in opposition** to the motion: **Reps. Dixon (1), Ehlers, Manwaring, Shepherd, Durrant, Monks, Pickett** and **Cannon.**

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 9:56 a.m.

Representative Dixon(1)
Chair

Lisa Hendricks
Secretary