

THE OFFICE OF THE GOVERNOR

EXECUTIVE DEPARTMENT
STATE OF IDAHO
BOISE

PROCLAMATION

FIRST LEGISLATIVE DAY
FRIDAY, AUGUST 25, 2006

House of Representatives

At the hour of 8 a.m., Friday, August 25, 2006, the day and hour fixed by Proclamation of the Governor of the State of Idaho for the convening of the First Extraordinary Session of the Fifty-eighth Idaho Legislature, the members of the House of Representatives convened in the House Chamber of the Capitol Building in the City of Boise, with Bruce Newcomb, Speaker of the Fifty-eighth Idaho Legislature, presiding, assisted by Pamm Juker, Chief Clerk.

STATE OF IDAHO
DEPARTMENT OF STATE

CERTIFICATION

I, BEN YSURSA, Secretary of State of the State of Idaho and legal custodian of the Seal of said State and all Proclamations of the Governor of the State of Idaho pursuant to 67-903, Idaho Code, do hereby certify that the annexed is a full, true and complete copy of the Proclamation of the Governor of the State of Idaho concerning the convening of the Fifty-eighth Idaho Legislature in an Extraordinary Session, received and filed in this office on the 25th day of July, 2006, and that the same appears of record in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Idaho. Done at Boise, Idaho, this 25th day of July, 2006.

/s/ BEN YSURSA
Secretary of State

The certification was ordered filed in the office of the Chief Clerk.

WHEREAS, rising property taxes are a major concern to property owners across the State of Idaho; and

WHEREAS, the Idaho State Legislature has evaluated the issues surrounding property taxes in Idaho for over a year; and

WHEREAS, the issues of property tax relief and safeguarding public education constitute an extraordinary occasion; and

WHEREAS, article 4, section 9 of the Constitution of the State of Idaho empowers the Governor, on extraordinary occasions, to convene the Legislature by proclamation;

NOW, THEREFORE, I, JAMES E. RISCH, Governor of the State of Idaho, by virtue of the authority vested in me by the Constitution and laws of the State of Idaho, do by this Proclamation convene the 58th Idaho Legislature in Extraordinary Session in the Legislative Chambers at the Capitol in Boise City, Ada County, Idaho, at the hour of 8 a.m. on the 25th day of August, 2006, to:

Consider for passage RS 16445, a copy of which is attached hereto.

The Extraordinary Session of the Legislature convened by this Proclamation shall have no power to legislate on any subject other than that specified herein.

I HEREBY DIRECT AND REQUIRE that a copy of this Proclamation and RS 16445 be delivered to the presiding officers of the Idaho Senate and House of Representatives, to each of the members of the 58th Idaho Legislature, and to the Constitutional Officers of the State Government at the earliest practicable time.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho at the Capitol in Boise on this 25th day of July in the year of our Lord two thousand and six and of the Independence of the United States of America the two hundred thirty-first and of the Statehood of Idaho the one hundred seventeenth.

/s/ JAMES E. RISCH
Governor

/s/ BEN YSURSA
Secretary of State

The Proclamation was ordered filed in the office of the Chief Clerk.

THE OFFICE OF THE GOVERNOR
EXECUTIVE DEPARTMENT
BOISE, IDAHO

CERTIFICATE OF APPOINTMENT

KNOW ALL MEN, by these Presents that pursuant to the provisions of Section 59-904A, Idaho Code, the Legislative District 28 Committee of the Republican Party has submitted a list of three names for consideration in filling a vacancy in the District 28 Legislative House of Representatives seat.

NOW, THEREFORE, I, JAMES E. RISCH, Governor of the State of Idaho, by virtue of the authority vested in me by Section 59-904A, Idaho Code, do hereby appoint James Marriott, to the position of State Representative, District 28, House Seat B, for a term commencing on July 1, 2006, and continuing until the next general election when the term of office expires.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho.

Done at Boise, the Capital of Idaho, this 12th day of June in the year of our Lord two thousand and six, and of the Independence of the United States of America, the two hundred and thirtieth year.

/s/ JAMES E. RISCH
Governor

/s/ BEN YSURSA
Secretary of State

The Certificate of Appointment was ordered filed in the office of the Chief Clerk.

The Speaker announced the oath of office had previously been administered to Mr. Marriott.

I, BEN YSURSA, Secretary of State of the State of Idaho and legal custodian of the records of elections held in the State of Idaho, do hereby certify that the following is a full, true and complete list of those elected or appointed to serve as members of the House of Representatives of the First Extraordinary Session of the Fifty-eighth Legislature, as shown by official records on file in my office:

DISTRICT	NAME
1	Eric Anderson (R), George E. Eskridge (R)
2	R.J. "Dick" Harwood (R), Mary Lou Shepherd (D)
3	James W. Clark (R), Phil Hart (R)
4	Marge Chadderdon (R), George C. Saylor (D)
5	Bob Nonini (R), Frank N. Henderson (R)
6	Tom Trail (R), Shirley G. Ringo (D)
7	Mike P. Mitchell (D), John Rusche (D)
8	Ken A. Roberts (R), Paul E. Shepherd (R)
9	Lawrence E. Denney (R), Clete Edmunson (R)
10	Robert "Bob" Ring (R), Darrell Bolz (R)
11	Kathy Skippen (R), Carlos Bilbao (R)
12	Robert E. Schaefer (R), Gary E. Collins (R)

13	Dolores J. Crow (R), W.W. "Bill" Deal (R)
14	Mike Moyle (R), Stan Bastian (R)
15	Steve Smylie (R), Max C. Black (R)
16	Margaret Henbest (D), Jana M. Kemp (R)
17	Kathy Garrett (R), Janet J. Miller (R)
18	Debbie Field (R), Julie Ellsworth (R)
19	Anne Pasley-Stuart (D), Nicole LeFavour (D)
20	Mark A. Snodgrass (R), Shirley McKague (R)
21	William T. "Bill" Sali (R), Clifford R. "Cliff" Bayer (R)
22	Richard Wills (R), Pete Nielsen (R)
23	Frances Field (R), Noy Elbert Brackett, III (R)
24	Leon E. Smith (R), Sharon Block (R)
25	Wendy Jaquet (D), Donna Pence (D)
26	John A. "Bert" Stevenson (R), Maxine T. Bell (R)
27	Scott C. Bedke (R), Bruce Newcomb (R)
28	Dennis M. Lake (R), James Marriott (R)
29	Ken Andrus (R), Elmer T. Martinez (D)
30	Donna Boe (D), Elaine Smith (D)
31	Larry Bradford (R), Tom Loertscher (R)
32	Janice McGeachin (R), Ann Rydalch (R)
33	Jack T. Barraclough (R), Russ Mathews (R)
34	Mack G. Shirley (R), Dell Raybould (R)
35	JoAn E. Wood (R), Lenore Hardy Barrett (R)

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the Great Seal of the State of Idaho. Done at Boise, the Capital of Idaho, this 22nd day of August, in the year of our Lord, two thousand and six, and of the Independence of the United States of America, the two hundred and thirty-first.

/s/ BEN YSURSA
Secretary of State

The Certificate of Election was ordered filed in the office of the Chief Clerk.

THE OFFICE OF THE GOVERNOR
EXECUTIVE DEPARTMENT
BOISE, IDAHO

CERTIFICATE OF APPOINTMENT

KNOW ALL MEN, by these Presents that Donna Boe, State Representative, District 30, House Seat A, State of Idaho, pursuant to the provisions of Section 59-917, Idaho Code, has nominated Richard Sagness, of Pocatello, Idaho, to perform the duties of this office temporarily as Acting State Representative.

NOW, THEREFORE, I, JAMES E. RISCH, Governor of the State of Idaho, by virtue of the authority vested in me by Section 59-917, Idaho Code, do hereby appoint Richard Sagness, Acting State Representative, District 30, House Seat A, State of Idaho, for a term commencing on August 25, 2006, and continuing until the incumbent shall resume the performance of the duties or a vacancy occurs in such office.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho.

Done at Boise, the Capital of Idaho, this 15th day of August in the year of our Lord two thousand and six, and of the Independence of the United States of America, the two hundred and thirty-first year.

/s/ JAMES E. RISCH
Governor

/s/ BEN YSURSA
Secretary of State

The Certificate of Appointment was ordered filed in the Office of the Chief Clerk.

The Speaker announced the oath of office had previously been administered to Mr. Sagness.

THE OFFICE OF THE GOVERNOR
EXECUTIVE DEPARTMENT
BOISE, IDAHO

CERTIFICATE OF APPOINTMENT

KNOW ALL MEN, by these Presents that Tom Trail, State Representative, District 6, House Seat A, State of Idaho, pursuant to the provisions of Section 59-917, Idaho Code, has nominated Jeff Harkins, of Moscow, Idaho, to perform the duties of this office temporarily as Acting State Representative.

NOW, THEREFORE, I, JAMES E. RISCH, Governor of the State of Idaho, by virtue of the authority vested in me by Section 59-917, Idaho Code, do hereby appoint Jeff Harkins, Acting State Representative, District 6, House Seat A, State of Idaho, for a term commencing on August 25, 2006, and continuing until the incumbent shall resume the performance of the duties or a vacancy occurs in such office.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Idaho.

Done at Boise, the Capital of Idaho, this 15th day of August in the year of our Lord two thousand and six, and of the Independence of the United States of America, the two hundred and thirty-first year.

/s/ JAMES E. RISCH
Governor

/s/ BEN YSURSA
Secretary of State

The Certificate of Appointment was ordered filed in the Office of the Chief Clerk.

The Speaker announced the oath of office had previously been administered to Mr. Harkins.

ROLL CALL

Roll call showed all 70 members present.

Prayer was offered by Chaplain Jim Hardenbrook.

The Pledge of Allegiance was led by Chaplain Jim Hardenbrook.

There being no objection, the House advanced to the Seventh Order of Business.

Motions, Memorials, and Resolutions

Mr. Denney moved that the House adopt as Temporary Rules and Joint Rules of the First Extraordinary Session of the Fifty-eighth Idaho Legislature the Temporary House Rules and Joint Rules as adopted by the Second Regular Session of the Fifty-eighth Idaho Legislature. Seconded by Ms. Jaquet.

Whereupon the Speaker declared the motion carried by voice vote and the Temporary House Rules and Joint Rules were adopted.

Mr. Denney moved that the following persons be approved as attaches to serve the House of Representatives for and during the First Extraordinary Session of the Fifty-eighth Idaho Legislature with salaries as fixed by House Resolution 2 of the Second Regular Session of the Fifty-eighth Idaho Legislature. Seconded by Ms. Jaquet.

- Assistant Chief Clerk Verna Goeddertz
- Journal Clerk Forrest Ludwig
- Chaplain James Hardenbrook
- Sergeant at Arms Judy Christiansen
- Assistant Sergeant at Arms Al Noyes
- Administrative Assistant to Majority Leadership Sue Frieders
- Administrative Assistant to Minority Leadership ... Amber Pence
- Secretary to Revenue and Taxation Committee Kathryn Yost
- Information Center Director Georgia Marshall
- Telephone Operator Louise Magill

Whereupon the Speaker declared the motion carried by voice vote and announced the oath of office had previously been administered to the above named attaches.

Introduction, First Reading, and Reference
of Bills and Joint Resolutions

HOUSE BILL NO. 1
BY REVENUE AND TAXATION COMMITTEE
AN ACT

RELATING TO TAXATION; PROVIDING A SHORT TITLE; AMENDING SECTION 33-701, IDAHO CODE, TO PROVIDE A GRAMMATICAL CORRECTION, TO DELETE

REFERENCE TO SCHOOL MAINTENANCE AND OPERATION LEVIES AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 33-802, IDAHO CODE, TO DELETE REFERENCE TO SCHOOL DISTRICT LEVIES THAT MAY BE IMPOSED WITHOUT VOTER APPROVAL, TO DELETE REFERENCE TO THE CREDIT FOR PREPAID TAXES, TO PROVIDE BUDGET STABILIZATION LEVIES FOR CERTAIN DISTRICTS, TO DELETE THE LOCAL DISTRICT CONTRIBUTION FOR SCHOOL FORMULA PURPOSES, TO PROVIDE FOR CHARTER DISTRICT LEVIES FOR MAINTENANCE AND OPERATION CONSISTENT WITH THE DISTRICT'S CHARTER, TO PROVIDE FOR PROPERTY IN A REVENUE ALLOCATION AREA WITHIN A CHARTER DISTRICT AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 33-802A, IDAHO CODE, TO CLARIFY REFERENCES TO SCHOOL LEVIES; AMENDING SECTION 33-808, IDAHO CODE, TO PROVIDE NOTICE BY CHARTER DISTRICTS, TO PROVIDE CORRECT CODE CITATIONS AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 33-905, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 33-907, IDAHO CODE, TO PROVIDE THAT BALANCES IN THE FUND THAT ARE IN EXCESS OF A CERTAIN AMOUNT SHALL BE TRANSFERRED TO THE BOND LEVY EQUALIZATION FUND AND TO PROVIDE THAT INTEREST EARNINGS BE RETAINED IN THE PUBLIC EDUCATION STABILIZATION FUND; AMENDING SECTION 33-1002, IDAHO CODE, TO REVISE HOW THE EDUCATIONAL SUPPORT PROGRAM IS CALCULATED, TO PROVIDE ELIGIBILITY FOR CHARTER DISTRICTS TO CONTINUE TO RECEIVE SCHOOL FORMULA MONEYS AND TO MAKE TECHNICAL CORRECTIONS; REPEALING SECTION 33-1002A, IDAHO CODE, RELATING TO THE LOCAL DISTRICT CONTRIBUTION REDUCTION AND REPEALING SECTION 33-1002D, IDAHO CODE, RELATING TO PROPERTY TAX REPLACEMENT; AMENDING SECTION 33-1003, IDAHO CODE, TO DELETE REFERENCE TO AN OBSOLETE PROVISION AND TO MAKE TECHNICAL CORRECTIONS; AMENDING SECTION 33-1004, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 33-1408, IDAHO CODE, TO REVISE THE SPECIAL LEVY FOR TUITION AND TO EXEMPT THE LEVY FROM THE THREE PERCENT PROPERTY TAX CAP; AMENDING SECTION 33-5208, IDAHO CODE, TO PROVIDE A CORRECT CODE REFERENCE; AMENDING SECTION 50-2908, IDAHO CODE, TO DELETE REFERENCE TO PROPERTY TAX FOR SCHOOLS AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 63-315, IDAHO CODE, TO PROVIDE APPLICATION TO CHARTER DISTRICTS LEVYING A MAINTENANCE AND OPERATION LEVY IN THE PRIOR CALENDAR YEAR; AMENDING SECTION 63-802A, IDAHO CODE, TO DELETE REFERENCE TO SCHOOL DISTRICT MAINTENANCE AND OPERATION LEVIES, TO PROVIDE APPLICATION TO SCHOOL DISTRICTS AND TO MAKE A

TECHNICAL CORRECTION; AMENDING SECTION 63-811, IDAHO CODE, TO DELETE REFERENCE TO PROPERTY TAX ALLOCATED FOR SCHOOLS AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 63-3619, IDAHO CODE, TO INCREASE THE SALES TAX TO SIX PERCENT; AMENDING SECTION 63-3621, IDAHO CODE, TO INCREASE THE USE TAX TO SIX PERCENT; AMENDING SECTION 63-3638, IDAHO CODE, TO REVISE THE DISTRIBUTION FOR SALES TAX REVENUES, TO DELETE REFERENCE TO MAINTENANCE AND OPERATION TAXES FOR SCHOOL DISTRICTS AND TO MAKE A TECHNICAL CORRECTION; AMENDING SECTION 63-3640, IDAHO CODE, TO PROVIDE DATE CHANGES FOR CERTAIN CONTRACTS; APPROPRIATING MONEYS FROM THE GENERAL FUND TO THE PUBLIC SCHOOL INCOME FUND FOR FISCAL YEAR 2007; APPROPRIATING ADDITIONAL MONEYS FROM THE PUBLIC SCHOOL INCOME FUND TO THE EDUCATIONAL SUPPORT PROGRAM/DIVISION OF OPERATIONS FOR FISCAL YEAR 2007; DIRECTING THE STATE CONTROLLER TO TRANSFER MONEYS FROM THE GENERAL FUND TO THE PUBLIC EDUCATION STABILIZATION FUND BY A DATE CERTAIN; STATING LEGISLATIVE FINDINGS, SUBMITTING AN ADVISORY VOTE TO THE ELECTORS, DIRECTING THE SECRETARY OF STATE TO SUBMIT THE QUESTION, STATING THE QUESTION TO BE SUBMITTED, DECLARING THE ADVISORY QUESTION A MEASURE AND MAKING APPLICABLE CERTAIN PROVISIONS GOVERNING ELECTION CAMPAIGN CONTRIBUTIONS AND EXPENDITURES; PROVIDING SEVERABILITY; DECLARING AN EMERGENCY, PROVIDING RETROACTIVE APPLICATION AND PROVIDING EFFECTIVE DATES.

H 1 was introduced, read the first time by title, and referred to the Judiciary, Rules, and Administration Committee for printing.

There being no objection, the House returned to the Fifth Order of Business.

Report of Standing Committees

August 25, 2006

Mr. Speaker:

We, your COMMITTEE ON JUDICIARY, RULES, AND ADMINISTRATION report that we have printed **H 1**.

FIELD(18), Chairman

H 1 was filed for second reading.

There being no objection, the House advanced to the Seventh Order of Business.

Motions, Memorials, and Resolutions

Ms. Jaquet moved that **H 1** be placed on General Orders for consideration. Seconded by Mr. Rusche.

The question being, "Shall the motion carry?"

Roll call resulted as follows:

AYES -- Boe(Sagness), Henbest, Jaquet, LeFavour, Martinez, Mitchell, Pasley-Stuart, Pence, Ringo, Rusche, Sayler, Smith(30). Total -- 12.

NAYS -- Anderson, Andrus, Barraclough, Barrett, Bastian, Bayer, Bedke, Bell, Bilbao, Black, Block, Bolz, Brackett, Bradford, Chadderdon, Clark, Collins, Crow, Deal, Denney, Edmunson, Ellsworth, Eskridge, Field(18), Field(23), Garrett, Hart, Harwood, Henderson, Kemp, Lake, Loertscher, Marriott, Mathews, McGeachin, McKague, Miller, Moyle, Nielsen, Nonini, Raybould, Ring, Roberts, Rydalch, Sali, Schaefer, Shepherd(2), Shepherd(8), Shirley, Skippen, Smith(24), Smylie, Snodgrass, Stevenson, Trail(Harkins), Wills, Wood, Mr. Speaker. Total -- 58.

Total -- 70.

Whereupon the Speaker declared the motion failed.

Mr. Denney moved that all rules of the House interfering with the immediate consideration of **H 1** be suspended; that the portions of Section 15, Article 3 of the Constitution of the State of Idaho, requiring all bills to be read on three several days be dispensed with, this being a case of urgency; and that **H 1** be read the first time by title, second time by title, and third time at length, section by section, and placed before the House for final consideration. Seconded by Mr. Bedke.

The question being, "Shall the rules be suspended?"

Roll call resulted as follows:

AYES -- Anderson, Andrus, Barraclough, Barrett, Bastian, Bayer, Bedke, Bell, Bilbao, Black, Block, Bolz, Brackett, Bradford, Chadderdon, Clark, Collins, Crow, Deal, Denney, Edmunson, Ellsworth, Eskridge, Field(18), Field(23), Garrett, Hart, Harwood, Henderson, Kemp, Lake, Loertscher, Marriott, Mathews, McGeachin, McKague, Miller, Moyle, Nielsen, Nonini, Raybould, Ring, Roberts, Rydalch, Sali, Schaefer, Shepherd(2), Shepherd(8), Shirley, Skippen, Smith(24), Snodgrass, Stevenson, Trail(Harkins), Wills, Wood, Mr. Speaker. Total -- 57.

NAYS -- Boe(Sagness), Henbest, Jaquet, LeFavour, Martinez, Mitchell, Pasley-Stuart, Pence, Ringo, Rusche, Sayler, Smith(30), Smylie. Total -- 13.

Total -- 70.

Whereupon the Speaker declared that more than two-thirds of the membership having voted in the affirmative, the motion carried, the rules were suspended, and **H 1** was read the first time by title, second time by title, and third time at length, section by section, and placed before the House for final consideration.

At this time, the Speaker recognized Mrs. Crow, Mr. Moyle and Mr. Roberts to open debate.

The question being, "Shall **H 1** pass?"

Roll call resulted as follows:

AYES -- Anderson, Andrus, Barraclough, Barrett, Bayer, Bedke, Bell, Bilbao, Black, Block, Bolz, Brackett, Chadderdon, Clark, Collins, Crow, Deal, Denney, Edmunson, Ellsworth, Eskridge, Field(18), Field(23), Garrett, Hart, Harwood, Henderson, Lake, Loertscher, Marriott, McKague, Moyle, Nielsen, Nonini, Raybould, Ring, Roberts, Rydalch, Sali, Schaefer, Shepherd(2), Shepherd(8), Shirley, Stevenson, Wills, Wood, Mr. Speaker. Total -- 47.

NAYS -- Bastian, Boe(Sagness), Bradford, Henbest, Jaquet, Kemp, LeFavour, Martinez, Mathews, McGeachin, Miller, Mitchell, Pasley-Stuart, Pence, Ringo, Rusche, Sayler, Skippen, Smith(30), Smith(24), Smylie, Snodgrass, Trail(Harkins). Total -- 23.

Total -- 70.

Whereupon the Speaker declared **H 1** passed the House. Title was approved and the bill was ordered transmitted to the Senate.

There being no objection, the House advanced to the Sixteenth Order of Business.

Adjournment

Mr. Denney moved that the House of Representatives of the First Extraordinary Session of the Fifty-eighth Legislature of the State of Idaho adjourn Sine Die. Seconded by Mrs. Ellsworth.

Whereupon the Speaker declared the motion carried and the House of Representatives of the First Extraordinary Session of the Fifty-eighth Legislature of the State of Idaho adjourned Sine Die at 6:33 p.m., August 25, 2006.

BRUCE NEWCOMB, Speaker

ATTEST: PAMM JUKER, Chief Clerk

H 1 was returned from the Senate passed, enrolled, signed by the Speaker, signed by the President, and transmitted to the Governor at 10:15 a.m., as of this date, August 28, 2006.

OFFICE OF THE GOVERNOR
Boise

August 31, 2006

The Honorable Bruce Newcomb
Speaker of the House

Dear Mr. Speaker:

I have the honor to advise you that I have signed today and am transmitting to the Secretary of State the following House Bill, to wit:

H 1

/s/

Very truly yours,
JAMES E. RISCH
Governor

CERTIFICATE

STATE OF IDAHO)
 HOUSE OF REPRESENTATIVES)
 BOISE, IDAHO)

WE, BRUCE NEWCOMB, Speaker of the House of Representatives, and PAMM JUKER, Chief Clerk, do hereby certify and attest as follows:

That we have carefully compiled in the House Journal of the First Extraordinary Session of the Fifty-eighth Idaho Legislature, all of the proceedings of the First Legislative Day, and that the said Journal contains a full, true and correct record of all of the proceedings of said House of Representatives for said day and final action upon all legislation.

IN WITNESS WHEREOF, we have hereunto set our hands, this 31st day of August, 2006.

BRUCE NEWCOMB, Speaker

ATTEST:

PAMM JUKER, Chief Clerk