

MINUTES
HOUSE STATE AFFAIRS COMMITTEE

DATE: Thursday, February 02, 2012

TIME: 9:30 A.M.

PLACE: Room EW40

MEMBERS: Chairman Loertscher, Vice Chairman Crane, Representative(s) Stevenson, Black, Anderson, Andrus, Bilbao, Luker, Palmer, Simpson, Guthrie, Henderson, McGeachin, Sims (Ingram), Batt, Smith(30), King, Higgins, Buckner-Webb

**ABSENT/
EXCUSED:** Representative(s) Stevenson, King

GUESTS: Jared Tatro, Office of Performance Evaluation; Jeff Anderson, Idaho State Liquor Division; Joie McGarvin, Westerberg & Associates; Russell Westerberg, Westerberg & Associates; Pam Eaton, Idaho Retailers Association.

Chairman Loertscher called the meeting to order at 9:30 a.m.

Chairman Loertscher introduced **Rep. Gary Ingram**, who is substituting for **Rep. Sims** and welcomed him to the committee.

RS 21078: **Senator Vick** presented **RS 21078** to the committee. **RS 21078** would amend the Idaho Constitution with the addition of one sentence to require a two-thirds vote for any bill that would raise fees or taxes. Senator Vick stated that raising taxes or implementing a new tax takes away someone's freedom. He noted that 16 other states have similar legislation requiring a higher standard to pass these bills. This restriction will require more thoughtful deliberations and responsibility from the legislators.

In response to questions, **Senator Vick** verified this proposed legislation will only impact bills passed in the Legislature. The legislation would not apply to JFAC since they pass legislation to appropriate money from revenue that has already been generated from taxes. Senator Vick clarified this proposed legislation will apply to *any* bill that would raise taxes to generate or increase revenue even if other tax revenues are down. With additional discussion from the committee, it was determined that this legislation would impact the rulemaking process when the Legislature votes on proposed fee rules that provide a net increase. Senator Vick will research how many bills the Legislature has already passed that raised taxes or fees without the 2/3 vote proposed in this legislation.

MOTION: **Rep. Simpson** made a motion to introduce **RS 21078**. **Motion carried by voice vote.**

H 373: **Jeff Anderson**, Director of the Idaho State Liquor Division, addressed **H 373** before the committee. Mr. Anderson stated the liquor division is a dedicated fund agency. The intention of the bill before the committee is to clarify and modernize the language found in the Idaho Liquor Act to accurately reflect its day-to-day business operations. The language found in the Act regarding a secretary dates back to when it was a liquor commission. Vendors have been replaced with suppliers. Mr. Anderson advised the committee that he was contacted about striking the wording "alcohol by weight" and replacing it with "alcohol by volume". Mr. Anderson requested additional time from the committee to address this issue.

Chairman Loertscher advised the committee that **H 373** will be held to a time certain, until Thursday, February 9th, 2012.

ADJOURN: There being no further business to come before the committee; the meeting was adjourned at 9:50 a.m.

Representative Loertscher
Chair

Lissa Cochrane
Secretary