

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Wednesday, February 15, 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:** Milan Kaldenberg, Self; Ben Otlo, Idaho Conservation League; Bert Marley and Penni Cyr, Idaho Education Association (IEA); Melissa Nelson, Idaho Society of CPAs (IDCPA); Will Hart, Idaho Consumer-Owned Utilities Association (ICUA); Dan John, Tax Commission

**Chairman Lake** called the meeting to order at 9:03 am. When it was determined that the presenters were not present, Chairman Lake put the committee at ease at 9:06 am. The meeting was called back to order at 9:09 am.

**H 517:** **Sen. Brackett** introduced **H 517**, which removes the prohibition of the deduction of certain expenses by elementary and secondary school teachers. Idaho Code will now conform with federal tax code in the calculation of adjusted gross income. The emergency clause allows it to be in used in the 2012 tax year.

**MOTION:** **Rep. Bayer** made a motion to send **H 517** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Moyle** will sponsor the bill on the floor.

**H 485:** **Rep. Jaquet** introduced in **H 485** as an RS in the Environmental, Energy & Technology Committee. The co-sponsor of this bill is **Rep. John Vander Woude**. It amends an existing statute that covers houses built prior to 1976 and proposes to amend that statute to 2002. That is the year that usage of the Energy Code was made compulsory in Idaho. The Amendment is designed to make existing legislation accurate and is only for residences, not commercial buildings. The Amendment corrects reference to Idaho Energy Plan of 2007. It has been endorsed by the executive board of the Building Contractors Association. It has economic development benefits. The Idaho Department of Labor believes that 21 jobs will be created per \$1,000,000 in sales.

**Rep. Vander Woude**, co-sponsor spoke on behalf of **H 485**. The downturn in the economy strongly affected the construction industry.

In response to Committee questions, **Rep. Vander Woude** stated that fasteners, joints and sealants are a part of this legislation if they improve the energy efficiency of a residence. There is no Sunset clause, so people are encouraged to take the credit without an end date. It is a deduction, not a credit. It would be difficult to place an expiration or end date on this proposed legislation. The State of Idaho adopted the Energy Code in 2002. Homes built after that, with up to three different code amendments, are more efficient. With no Sunset clause, owners of older houses could still access the incentives.

**Milan Kaldenberg**, representing himself, testified in favor of **H 485**. He said the wording of the bill should be changed so that a specific date is not listed and additional legislation is not required in the future to again correct this issue. But, future homes would be compliant with the Energy Code, so they would be energy efficient.

In answer to Committee questions, **Dan John**, Tax Commission, stated that when the law originally passed, it was to allow houses in existence to be brought up to current energy standards. **H 485** takes this up to the energy standards of 2004, for houses constructed before 2002.

**MOTION:** **Rep. Wood** made a motion to send **H 485** to General Orders. **Rep. Raybould** seconded the motion. **Motion carried by voice vote.** **Rep. Jaquet** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 9:33 am.

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Representative Lake  
Chair

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Janet Failing  
Secretary