

MINUTES  
**HOUSE WAYS & MEANS COMMITTEE**

- DATE:** Monday, March 10, 2014
- TIME:** 1:30 pm or upon adjournment
- PLACE:** Room C310 JFAC
- MEMBERS:** Chairman Anderson(1), Representative(s) Moyle, Crane, Vander Woude, Rusche, Burgoyne, Pence
- ABSENT/  
EXCUSED:** Rep. Rusche
- GUESTS:** Woody Richards, Insurance Companies; Paul Jacobson, Farmer's Insurance; Phil Barber, American Insurance Association
- Chairman Anderson (1)** called the meeting to order at 3:07 p.m.
- MOTION:** **Rep. Pence** made a motion to approve the minutes of March 5, 2014. **Motion carried by voice vote.**
- RS 23114:** **Sen. Brackett** presented **RS 23114**. He stated this proposed legislation creates a process whereby a locally elected county or highway district board may petition the Idaho Transportation Board if historic maintenance is not being done and public health and safety is being jeopardized. The petition must also establish that the subject highway, or relevant portion thereof, provides the only practical access to a city, town or other developed area. Sen. Brackett explained upon approval of a petition, the Idaho Transportation Board may either undertake the maintenance itself or it may contract with another county or highway district to do so. The actual cost of the maintenance would be paid out of funds that otherwise would have been allocated to the county or highway district that was not providing adequate maintenance. This funding arrangement may later be modified or terminated.
- MOTION:** **Rep. Moyle** made a motion to introduce **RS 23114**. **Motion carried by voice vote.**
- RS 23096:** **Rep. Morse** presented **RS 23096**, and explained this proposed bill would preserve the current rate of interest of 12 cents on the dollar for eminent domain cases. He stated the proposed legislation is brought because of another piece of legislation, **S 1282**, which would lower interest rates to 7.5 cents on the dollar statewide. Rep. Morse stated this is an involuntary process and it disrupts the owner's expectations. He stated rates for similar proceedings around the area include: Utah at 10 percent, Washington at 12 percent and Oregon at 9 percent. He stated if the Senate Bill passed, it would put Idaho down at 7.5 percent. According to Rep. Morse, the process can be lengthy and often take years to settle. He emphasized it is important to have an interest rate which provides an incentive to settle the case that reflects both the risk and the lost opportunity cost for the owner.
- In response to questions concerning under what circumstances would free judgment interest arise in a condemnation case, **Rep. Morse** stated it arises in an instance where the owner is paid based on the condemnor's appraisal and the issue of compensation. According to Rep. Morse, this issue is litigated all the time where the issue of compensation is in question. He explained the condemnor would only tender into court what they believe just compensation and then the owner would be entitled to additional compensation when either the case is tried or the matter is settled. There is an ownership equity issue where the individual is deprived of use of those funds over that period of time.
- MOTION:** **Rep. Burgoyne** made a motion to introduce **RS 23096**. **Motion carried by voice vote.**

**RS 23119:** **Rep. Burgoyne** presented **RS 23119**, and stated it was his understanding that a similar resolution came out of the Health and Welfare Committee. He explained it was apparently without a hearing and was called back to the committee. The proposed resolution proclaims the month of March 2014, as Social Worker Recognition Month.

**MOTION:** **Rep. Moyle** made a motion to introduce **RS 23119**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 3:16 p.m.

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Representative Anderson(1)  
Chair

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Lisa Hamlin  
Secretary