

MINUTES  
**HOUSE TRANSPORTATION & DEFENSE COMMITTEE**

**DATE:** Monday, January 26, 2015

**TIME:** 1:30 P.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Palmer, Vice Chairman Shepherd, Representatives Wills, Bateman, Gestrin, Hixon, Kauffman, Packer, Youngblood, McDonald, Dixon, Harris, Holtzclaw, Monks, King, Rudolph, Wintrow

**ABSENT/  
EXCUSED:** None

**GUESTS:** Barry Takeuchi, ITD, Christine Fisher, ITD, Michael Chakarun, ISTC, Don Williams, ISTC, Dave Carlson, AAA Idaho, Mike Brassey, Union Pacific/IFSA, Nick Staut, Governor's Office

**Chairman Palmer** called the meeting to order at 1:30 p.m.

**MOTION:** **Rep. Dixon** made a motion to approve the minutes of the January 20, 2015, meeting. **Motion carried by voice vote.**

**H 14:** **Barry Takeuchi**, Titles Program Specialist, Idaho Transportation Department, presented **H 14** regarding motor vehicle/labor materials. He explained this bill would repeal Title 49 Chapter 17 Idaho Code that deals with possessory lien sales. Possessory liens are commonly referred to mechanic's liens. They happen when a company has provided repair, storage, or towing without receiving payment. The lien sale provides a mechanism for the mechanic to receive the costs through sale of the vehicle at an auction. Currently staff must allow the requestor to choose the method, one method is fairly straightforward and streamlined while the other is much more cumbersome on the department and the requestor. This bill would eliminate the more cumbersome method. This would also alleviate staff time in processing this type of lien sale.

**MOTION:** **Rep. Wills** made a motion to send **H 14** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Wills** will sponsor the bill on the floor.

**H 15:** **Barry Takeuchi**, Titles Program Specialist, Idaho Transportation Department, presented **H 15** regarding motor vehicle/title stop requirements. Mr. Takeuchi explained this would establish in code the vehicle/title stop program which currently only exists to establish a fee for the request to be placed on the record. This program would allow someone to place a stop on the record for transfer until a civil dispute has been resolved in court. This process works by contacting and requesting a stop on the record. A person would then have 30 days from the placement of that stop to file judicial proceedings and provide evidence of that. More than 75% of the title stop requests received come from the State Tax Commission and other governmental agencies including, Department of Labor to collect overpayment of unemployment benefits, and the Department of Health and Welfare to aid in the collection of child support. The remaining 25% are primarily civil disputes and divorces, aiding in the protection of vulnerable parties. Putting administrative policies in code will streamline the internal process and provide statutory authority for notification and timelines for policies surrounding a title stop request.

- MOTION:** **Rep. Kauffman** made a motion to send **H 15** to the floor with a DO PASS recommendation. **Motion carried by voice vote.** **Rep. Kauffman** will sponsor the bill on the floor.
- RS 23252:** **Michael Chakarun**, Tax Policy Manager, Tax Commission, presented **RS 23252** regarding fuels tax. Current law states that taxpayers can claim a fuel tax credit on their annual income tax return or submit a refund claim on a monthly basis. They can then reconcile those refund claims on their annual income tax return. The Tax Commission has not enforced the reconciliation requirement. So to reduce administrative burdens on tax payers and to conform to current practice, the proposed legislation allows the taxpayer the choice of filing for the refund whether annually on the income tax return or separately for a period no greater than one year, but at least on a monthly basis and eliminates the annual reconciliation requirement. This legislation also clarifies refund procedures for claimants that are not required to file an income tax return to mirror procedures for claimants that must file an income tax return.
- MOTION:** **Rep. Bateman** made a motion to introduce **RS 23252.** **Motion carried by voice vote.**
- RS 23267:** **Michael Chakarun**, Tax Policy Manager, Tax Commission, presented **RS 23267.** This legislation clarifies the motor fuels tax section, makes it more user friendly and organizes it in a more rationale matter. It also clarifies the term "dyed diesel" to mean diesel dyed or marked at a refinery or terminal to prevent dying not allowed by deferral law. Mr. Chakarun explained violations and penalty provisions are scattered throughout the Motor Fuels Act. Duplicate penalties exist for the same violation and one penalty section is worded so poorly as to imply that buying gasoline form a gas station could be a misdemeanor. This proposed legislation reorganizes and consolidates five separate penalty and violation statutes into two violation statutes and one penalty statute. It clarifies language relating to the purchase and sale of motor fuels.
- MOTION:** **Rep. King** made a motion to introduce **RS 23267.** **Motion carried by voice vote.**
- RS 23341:** **Rep. Kauffman** presented **RS 23341** regarding elk license plates. This legislation adds a new section to create a Rocky Mountain Elk Foundation license plate. Rep. Kauffman explained funds from the sale of the plate will be used for education on habitat, the value of hunting, hunting ethics, wildlife management, and to promote outdoor skills.
- MOTION:** **Rep. Hixon** made a motion to introduce **RS 23341.** **Motion carried by voice vote.**
- ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:06 p.m.

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Representative Palmer  
Chair

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Amber Duke  
Secretary