

MINUTES
HOUSE TRANSPORTATION & DEFENSE COMMITTEE

DATE: Monday, March 02, 2015

TIME: 1:30 pm or Upon Adjournment

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: Ed Pemble, Idaho Transportation Department; Debra Hall, Idaho Transportation Department; Daryl Marler, Idaho Transportation Department; Michael Chakarun, ISTC; Don Williams, ISTC; Arthur Sysco, APAT Southern Idaho; Mike Cane, PCI/AAA; Lane Triplett, Idaho Coalition for Motorcycle Safety; Sandra Mitchell, IRC; Jonathan Parker, IAHD; Colby Cameron, Sullivan and Reberger.

Chairman Palmer called the meeting to order at 2:50 p.m.

H 146: **H 146** was brought before the committee again.

MOTION: **Rep. King** made a motion to send **H 146** to the floor with a **DO PASS** recommendation.

Rep. Shepherd spoke in **opposition** to the motion and stated the legislation is disproportionate to small companies and is not a good approach. He stated it does not adhere to a user-fee philosophy.

**ROLL CALL
VOTE:** **Chairman Palmer** called for a roll call vote on the motion to send **H 146** to the floor with a **DO PASS** recommendation. **Motion failed by a vote of 6 AYE, 9 NAY, and 2 Absent/Excused. Voting in favor** of the motion: **Chairman Palmer, Reps. Hixon, Youngblood, Monks, King and Wintrow. Voting in opposition** to the motion: **Reps. Shepherd, Wills, Gestrin, Kaufmann, Packer, McDonald, Dixon, Harris, and Holtzclaw. Reps. Bateman and Rudolph** were **Absent/Excused**.

MOTION: **Rep. Gestrin** made a motion to **HOLD H 146** in committee. **Motion carried by voice vote.**

S 1015aa: **Daryl Marler**, Idaho Transportation Department, presented **S 1015aa**, legislation that creates the Idaho Consumer Asset Recovery Fund (ICAR) to increase protection for Idaho consumers purchasing vehicles from licensed retail vehicle dealers. In 2013 the legislature passed a bill sponsored by the Dealer Advisory Board. In the implementation of this legislation it has been noted that it also includes wholesale dealers who are not licensed to retail vehicles to individual customers, they are only allowed to wholesale vehicles to dealers and auto auctions, neither of which are covered under the new ICAR fund for purposes of filing a claim. He stated the ICAR fund which is paid into by licensed retail dealers since July 1, 2013, was designed to replace the current \$20,000 surety bond that dealers have been required to file. This requirement will no longer be necessary for dealers on and after July 1, 2014, if there have been no claims against their surety bond in the past 3 years.

He stated the bond is required for all newly licensed dealers for the first 3 years, as well as paying into the ICAR fund. The bond level has not changed in more than 15 years. The ICAR fund will reimburse a consumer up to \$50,000 for one claim, for a total of \$120,000 per dealer based on court judgment. Since wholesalers aren't covered by the ICAR fund, and therefore should not have to pay into it, it has been recommended by the Dealer Advisory Board that the current \$20,000 surety bond be increased to \$40,000, since that is the only protection dealers and auto auctions would have against a wholesaler.

In response to committee questions, **Mr. Marler** stated the only problem with wholesale dealers is when the title is not provided at auction. He stated the wholesale dealers agree with the bill. He stated it was always the intent to increase the bond amounts to what is in the bill.

MOTION: **Rep. Rudolph** made a motion to send **S 1015aa** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Rudolph** will sponsor the bill on the floor.

S 1016: **Ed Pemble**, Idaho Transportation Department, presented **S 1016**, a bill that implements new Commercial Driver's License Testing and Commercial Learner's Permit standards. He stated legislation is needed to assure compliance with federal regulations. He stated in order to provide consistency across driver programs and simplify programming, a limitation on renewal of Class D and Motorcycle Instruction Permits is proposed to match the same limitation for Commercial Learner's Permits. He stated that 90% of the people who take the test pass. He said if the bill passes, it would go into effect July 8, 2015. He stated the fiscal impact would include providing new info on drivers' licenses and permits. He stated if it is not passed, federal funding to the Department's National Highway Performance and Surface Transportation funds would be affected.

In response to committee questions, **Mr. Pemble** stated this would only affect licenses and permits issued in the state of Idaho. He stated there was a 14-day waiting period after a knowledge and skills test before taking a driving test but that requirement has since been removed.

Arthur Sysco, APAT Southern Idaho, spoke **in opposition** to **S 1016** and stated the state will lose money from persons who purchase a permit more than once. He stated the current system is fine and should not be changed.

Lane Triplett, Idaho Coalition for Motorcycle Safety, spoke **in support** of **S 1016** and stated the bill cleans up the law regarding motorcycle permits. He stated 37% of fatal crashes involve unendorsed riders. He stated permit drivers are dangerous because some people apply over and over for a permit and are granted driving privileges without ever taking a road test and receiving an actual motorcycle endorsement and license.

Ed Pemble was recognized to provide closing testimony. He stated there is a 180-day limitation in the bill and one-renewal for applicants. There is also an accommodation for military personnel to reapply as needed.

MOTION: **Rep. McDonald** made a motion to send **S 1016** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Shepherd, Dixon and Harris** requested to be recorded as voting **NAY**. **Rep. McDonald** will sponsor the bill on the floor.

H 111: **Chairman Palmer** presented **H 111**, a bill that would allow voters in a county to authorize a temporary increase in vehicle registration to pay for a specific project. He stated specific means only one job at a time.

MOTION: **Rep. Bateman** made a motion to send **H 111** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote. Reps. Harris and King** requested to be recorded as voting **NAY**. **Chairman Palmer** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 3:30 p.m.

Representative Palmer
Chair

Kasey Winder
Secretary