

MINUTES  
**HOUSE TRANSPORTATION & DEFENSE COMMITTEE**

**DATE:** Tuesday, March 10, 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:** Representative(s) Wills

**GUESTS:** The sign-in sheet will be retained in the committee secretary's office until the end of the session. Following the end of the session, the sign-in sheet will be filed with the minutes in the Legislative Services Library.

**Chairman Palmer** called the meeting to order at 1:31 p.m.

**MOTION:** **Rep. Wintrow** made a motion to approve the minutes of the March 2, 2015 and March 4, 2015 meetings. **Motion carried by voice vote.**

**S 1082:** **Steve Price**, the General Council for the Ada County District, presented **S 1082** regarding highway districts, non-paper mediums. This legislation would update highway district public records retention requirements to allow a photographic or digital storage of the record and the release or destruction of paper records. During the retention period, records cannot be altered. This kind of record would be identified as an original record and could be admissible in administrative proceedings or in court as an original record.

**MOTION:** **Rep. Hixon** made a motion to send **S 1082** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Hixon** will sponsor the bill on the floor.

**Chairman Palmer** informed the committee the agenda would be adjusted due to Mr. McClure's inability to be in committee because he was presenting in another meeting at this time.

**RS 23806:** **Rep. Monks** and **Rep. Chaney** presented **RS 23806** regarding a transportation funding mechanism. Rep. Chaney explained that every dollar we spend today will provide a savings in cost later. The motor fuel tax will increase by five cents per gallon. Additional funds will be generated from future growth. If revenue increases by more than four percent from the previous year, four-tenths of one percent (.4%) of the total revenue collected by the State will be distributed to the highway distribution account. When the total ongoing appropriations from future growth to the highway distribution account reaches twenty million dollars on an aggregate basis, the motor fuel tax will be reduced by one cent. For every additional cumulative twenty million dollars, the motor fuel tax will be reduced by another one cent until the motor fuel tax reaches its current level. It also increases the transfer fee by two cents per gallon, and the electric and hybrid vehicle registration will be increased by an amount equivalent to the fuel tax increase.

**MOTION:** **Rep. Gestrin** made a motion to introduce **RS 23806**. **Motion carried by voice vote.** **Rep. King** requested she be recorded as voting **NAY**.

**RS 23772:** **Rep. Harris** presented **RS 23772** regarding transportation funding. This legislation assumes year-over-year growth to the General Funds of approximately 5.5% for fiscal year 2017. By making a "one-year sacrifice" to hold to prior year's budgets across the board and by all agencies for fiscal year 2017, up to \$120,000,000 would thereby be available for transfer to the highway distribution account. This amount would continue to be appropriated year-by-year. For fiscal year 2018 and beyond, General Fund growth would once again be available for typical spending growth. After the Joint Finance and Appropriations Committee has completed its fiscal year 2017 budget setting process for mandatory state General Fund expenditures as outlined in this bill, the remaining balance in the state General Fund, up to \$120,000,000 will be dedicated to the highway distribution account.

**MOTION:** **Rep. Hixon** made a motion to introduce **RS 23772**. **Motion carried by voice vote.**  
**Rep. King** requested she be recorded as voting **NAY**.

**H 201:** **Ken McClure** presented **H 201** on behalf of Uber Transportation Network companies. This bill provides a framework for the operation of transportation network companies in Idaho. Mr. McClure described what Uber is to the committee. He said Uber can be used in the same way a traditional taxi cab is used. Because of technology, the Uber app is easier to use than the taxi services. The driver must pass a background check, show proof of insurance, have a vehicle inspection done by a mechanic at a local garage, and then upload vehicle inspection documents on the Uber website. The rider has an app on their iPhone that notifies the driver when they need to be picked up. A person can sign up for Uber, download their app, give their credit card information, and enter an address/destination. Fair will be charged for services, but the app will alert the rider what the fair structure is. This must be provided before service is supplied.

**Russell Westerberg**, spoke **in opposition** to **H 201**. He state the city of Boise has been working with Mr. McClure to resolve this issue. Monitoring the drivers would be hard without basic background checks similar to the ones ISP offers. Mr. Westerberg said fingerprint background checks are not an unreasonable requirement.

**Brice Bennett**, Manager in Idaho for Uber, spoke **in support** of **H 201**. He stated safety has always been their top priority. They have a contingent insurance policy in place, and great benefits. There is a level of accountability with the driver and rider. After every trip the driver can be given a one to five star rating. The rider can also receive this rating. Anytime anyone gives a three star rating, customer service will reach out to them.

**Douglas Schoenborn**, Boise Police Department, spoke **in opposition** to **H 201**. He said safety is also the police department's number one concern. Having structured background investigations adds to the safeguards of the citizens of Boise.

**Wayne Hoffman**, Idaho Freedom Foundation, spoke **in support** of **H 201**. He stated this is the very definition of free market innovation. If there is any kind of confrontation, a record will be kept of which car it was and who was driving.

**Mary Erslund**, a driver for Uber, spoke **in support** of **H 201**. She has given more than 700 trips to people, and has maintained her five star rating.

**MOTION:** **Rep. Bateman** made a motion to **HOLD H 201** in committee. **Motion carried by voice vote.**

**RS 23810:** **Ken McClure** presented **RS 23810** regarding Transportation Network companies. This RS is similar to **H 201**, but has minor changes. The changes were drafted entirely at the request of the insurance company. It was his hope that these amendments would remove others objections to **H 201**. If this RS becomes a bill and passes, it could be available to every citizen in the state. Uber has certain requirements that a driver must pass in order to provide service to passengers.

**Hannah Ball**, a driver for Uber, wanted to give her perspective to the committee. Ms. Ball is a combat veteran and served ten years, and transitioning into this economy was hard. Uber gave her part time employment and she has been a driver since November. She cleans her car three times a week, offers Sirius radio, gum, mints, and water to her passengers. If the passenger does not know about the cashless system, she walks them through the process and helps them understand how Uber works.

**Dawn Peck**, Idaho State Police, informed the committee that there are differences in paper background checks and fingerprint background checks. The fingerprint background check is the most complete check. In a name based system, there will not always be a match if someone gives a different name at the time of arrest.

**ORIGINAL MOTION:**

**Rep. King** made a motion to introduce **RS 23810**.

**SUBSTITUTE MOTION:**

**Rep. Bateman** made a substitute motion to introduce **RS 23810** and recommend it be sent directly to the Second Reading Calendar.

**AMENDED SUBSTITUTE MOTION:**

**Rep. Wintrow** made an amend substitute motion to return **RS 23810** to the sponsor. **Motion failed by voice vote.**

**VOTE ON SUBSTITUTE MOTION:**

**Motion carried by voice vote. Rep. Monks** will sponsor the bill on the floor.

**ADJOURN:**

There being no further business to come before the committee, the meeting was adjourned at 4:09 p.m.

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Representative Palmer  
Chair

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Amber Duke  
Secretary