

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

- DATE:** Wednesday, March 23, 2016
- TIME:** Upon Adjournment and After the Judiciary and Rules Committee
- PLACE:** Room EW 42
- MEMBERS:** Chairman Collins, Vice Chairman Trujillo, Representatives Moyle, Raybould, Anderson, Anderst, Dayley, Hartgen, Kauffman, Chaney, Nate, Scott, Thompson, Erpelding, Nye, Rudolph
- ABSENT/
EXCUSED:** Representative(s) Scott
- GUESTS:** Col. Ralph Powell, Idaho State Police; Rep. Pat McDonald, Rep. Rich Wills, Idaho House of Representatives; Ken Burgess, COMPASS
- Chairman Collins** called the meeting to order at 4:30 P.M.
- MOTION:** **Rep. Dayley** made a motion to approve the minutes of March 11, 2016. **Motion carried by voice vote.**
- MOTION:** **Rep. Kauffman** made a motion to approve the minutes of March 15, 2016. **Motion carried by voice vote.**
- MOTION:** **Rep. Trujillo** made a motion to approve the minutes of March 16, 2016. **Motion carried by voice vote.**
- MOTION:** **Rep. Trujillo** made a motion to approve the minutes of March 17, 2016. **Motion carried by voice vote.**
- H 624:** **Rep. Palmer** presented **H 624** dealing with highway funding apportionment and the hybrid vehicle fee. Currently, 5% of the funds in the Highway Distribution Account is apportioned to a law enforcement account for the State Police. This proposed legislation will transition the apportionment of that 5% distribution from the law enforcement account into the highway distribution account over 5 years at the rate of 1% a year beginning in 2017. It will also remove the \$75 hybrid vehicle fee which was enacted last year to replace fuel tax revenue lost by the usage of these vehicles. This hybrid vehicle fee affected many more vehicles than was intended including neighborhood electric vehicles and golf carts.
- Rep. Wills** and **Rep. McDonald** spoke **in opposition** to the bill. They had concerns for the effect this approximate \$3.5 million per year reduction will have on the State Police budget and their ability to provide good service. **Ken Burgess** representing the Community Planning Association of Southwest Idaho (COMPASS) spoke **in support** of the bill because it increases and diversifies transportation funding. Mr. Burgess noted that although he supports the bill, he has concerns with eliminating the hybrid fee. As fuel efficiency increases, he would like to see potential solutions to replacing this lost fuel tax revenue such as a mileage based fuel tax or registration fees based on a vehicle's fuel efficiency.
- MOTION:** **Rep. Chaney** made a motion to send **H 624** to the floor with a **DO PASS** recommendation.
- SUBSTITUTE MOTION:** **Rep. Hartgen** made a substitute motion to **HOLD H 624** in committee.

Speaking to his substitute motion, **Rep. Hartgen** voiced serious concerns about removing the hybrid fee since they are paying so little in fuel tax now. He would also like to see this subject come back next year with a much broader discussion in conjunction with the Transportation Committee.

Rep. Erpelding spoke in **opposition** to the substitute motion saying he doesn't support pulling ISP dollars from the Highway Distribution Account and he will support the original motion.

Rep. Kauffman spoke in **support** of the substitute motion stating he would like this matter to be considered next year when there is more time for discussion.

Rep. Nye made an amended substitute motion to send **H 624** to General Orders.

**AMENDED
SUBSTITUTE
MOTION:**

Chairman Collins called for a vote on the amended substitute motion to send **H 624** to General Orders. **Motion failed by voice vote.**

**VOTE ON
AMENDED
SUBSTITUTE
MOTION:**

**ROLL CALL
VOTE ON
SUBSTITUTE
MOTION:**

Chairman Collins called for a roll call vote on the substitute motion to **HOLD H 624** in committee. **Motion failed by a vote of 4 AYE, 11 NAY, 1 Absent/Excused.** **Voting in favor** of the motion: **Reps. Anderson, Anderst, Hartgen and Kauffman.** **Voting in opposition** to the motion: **Reps. Trujillo, Moyle, Raybould, Dayley, Chyaney, Nate, Thompson, Erpelding, Nye, Rudolph, and Collins.** **Rep. Scott was absent/excused.**

**VOTE ON
ORIGINAL
MOTION:**

Chairman Collins called for a vote on the original motion to send **H 624** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Palmer** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 5:05 P.M.

Representative Collins
Chair

Bev Bean
Secretary