

MINUTES  
**SENATE STATE AFFAIRS COMMITTEE**

**DATE:** Wednesday, March 23, 2016

**TIME:** 8:00 A.M.

**PLACE:** Room WW55

**MEMBERS PRESENT:** Chairman McKenzie, Vice Chairman Lodge, Senators Davis, Hill, Winder, Siddoway and Lakey

**ABSENT/ EXCUSED:** Senators Stennett and Rohn(Buckner-Webb)

**NOTE:** The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

**CONVENED:** **Chairman McKenzie** called the Senate State Affairs Committee (Committee) to order at 8:00 a.m. with a quorum present.

**RS 24789** STATING FINDINGS OF THE LEGISLATURE authorizing the appointment of a committee to undertake/complete a study of the Idaho income tax structure.

**Senator Hill** said that this RS sets up an interim committee to look at income tax rates. Last summer, a working group was charged with the duty to look at the total tax system. The group found it hard to narrow it down to specific recommendations. The general consensus was that there was a need to create a business-friendly climate from a tax standpoint. The interim committee would have the responsibility to investigate alternative ways to reduce corporate and individual income tax rates. There are two ways to accomplish that goal: 1.) Keep dropping the rate. Without other changes, there is a limitation on how many reductions can be made. 2.) The second option is to broaden the tax base. That option would require a review of the various exemptions and deductions and what the effect would be if any one of them would be eliminated. Both alternatives will be looked at, and the group will come back to the Legislature with recommendations.

**MOTION:** **Vice Chairman Lodge** moved to send **RS 24789** to print. **Senator Siddoway** seconded the motion. The motion carried by **voice vote**.

**MINUTES APPROVAL:** **Vice Chairman Lodge** moved to approve the minutes of February 26, 2016. **Senator Siddoway** seconded the motion. The motion carried by **voice vote**.

**Senator Hill** moved to approve the Minutes of February 29, 2016. **Senator Siddoway** seconded the motion. The motion carried by **voice vote**.

**Senator Lakey** moved to approve the Minutes of March 16, 2016. **Senator Winder** seconded the motion. The motion carried by **voice vote**.

**GRADUATION OF PAGE:** **Chairman McKenzie** recognized Committee Page, Luke Henrie, and asked him to come to the podium. **Chairman McKenzie** stated that Mr. Henrie exemplifies a quality that is seen in many of the pages. They are remarkable in the way they interact with adults and people who hold positions of distinction. He is very impressed with how professional these students are at such a young age. **Chairman McKenzie** has enjoyed having Mr. Henrie here and acknowledged that he enjoyed reading Mr. Henrie's application letter to serve in the Senate; he is from the Chairman's district.

**Chairman McKenzie** asked what surprised Mr. Henrie from the perspective of a page. **Mr. Henrie** replied that he was surprised that the Senators all like one another. He complimented the Senators for that quality, which he respected. **Mr. Henrie** said that Idaho has a citizen Legislature so the Legislators are really busy and worked very hard.

**Chairman McKenzie** asked what Mr. Henrie's plans were when he leaves the Legislature. **Mr. Henrie** replied that he must, sadly, go back to school. He will work all summer and then will be attending the University of Idaho to study Political Science and then go to law school.

**Chairman McKenzie** presented Mr. Henrie with a gift, a letter of recommendation and a letter of appreciation from the Committee.

**Chairman McKenzie** thanked the Committee. It has been his favorite Committee and one he wanted to serve on when he was first elected. At that time he didn't realize it was the choice of leadership who was designated to serve as Chairman of the Senate State Affairs Committee. He stated that this is a strong, good Committee and thanked them.

**Senator Hill** expressed the Committee's gratitude to Chairman McKenzie. He stated that Chairman McKenzie has been courageous and very effective as Chairman of this Committee over the years. It is leadership's Committee for both the majority and the minority and Chairman McKenzie has served leadership as well as the entire Senate and the citizens of Idaho very well. They all wish the Chairman well in his future endeavors. **Chairman McKenzie** stated his thanks.

**ADJOURNED:**

There being no further business, **Chairman McKenzie** adjourned the meeting at 8:10 a.m.

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Senator McKenzie  
Chair

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Twyla Melton  
Secretary