

MINUTES
SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE

DATE: Tuesday, February 13, 2018

TIME: 3:00 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Johnson, Vice Chairman Bayer, Senators Hill, Vick, Patrick, Burgoyne, and Nye

ABSENT/ EXCUSED: Senators Siddoway and Rice

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 Johnson** called the meeting of the Local Government and Taxation Committee (Committee) to order at 3:01 p.m.

GUBERNATORIAL APPOINTMENT: **Senator Hill** moved to send the Gubernatorial appointment of Janet Moyle to the State Tax Commission to the floor with a recommendation that she be confirmed by the Senate. **Senator Patrick** seconded the motion. The motion passed by **voice vote**. **Senator Burgoyne** requested that he be recorded as voting **nay**.

H 451 **Relating to tax credits for charitable contributions made to medical residency programs.** **Representative Erpelding** presented **H 451**. This legislation proposes amendment to Idaho Code § 63-3029A, relating to income tax credits for charitable contributions. **Representative Erpelding** explained that Idaho has eight medical residency programs, three of which already receive a tax credit for charitable contributions because of their association with an accredited university. This bill will allow a medical residency program that is accredited and actively placing residents throughout the State to be eligible for a tax credit for charitable contributions. **Representative Erpelding** stated this legislation will help place more medical residents in underserved, rural communities, and also help increase the number of doctors in Idaho.

Senator Vick asked Representative Erpelding to explain the fiscal note. **Representative Erpelding** explained that a value was calculated using the average amount of annual donations from all medical residency programs; \$25,000 is a high estimation of the actual fiscal impact to the General Fund. He expects this amount to increase, with increased private investment and charitable contributions to these programs.

Senator Patrick asked how much money is donated annually to medical residency programs in Idaho. **Representative Erpelding** reported the total amount of charitable donations to these programs is approximately \$25,000 annually. He explained that, if the proposed tax credit were implemented for all eight medical residency programs, the actual fiscal impact would be less than \$25,000. A high estimation was provided to account for future growth.

Senator Hill expressed his opinion that **H 451** aligns with the intent of the statute because it provides a tax credit for contributions to programs that would otherwise be fully supported by the State.

MOTION: **Senator Hill** moved to send **H 451** to the floor with a **do pass** recommendation. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairman Johnson** adjourned the meeting at 3:12 p.m.

Senator Johnson
Chairman

Jennifer Carr
Secretary