

MINUTES
HOUSE REVENUE & TAXATION COMMITTEE

DATE: Monday, February 11, 2019

TIME: 9:00 A.M.

PLACE: Room EW42

MEMBERS: Chairman Collins, Vice Chairman Stevenson, Representatives Moyle, Anderst, Dayley, Chaney, Gestrin, Addis, Dixon, Furniss, Giddings, Nichols, Ricks, Erpelding, Ellis, Mason

**ABSENT/
EXCUSED:** None

GUESTS: Brian Stutzman; Russ Hendricks, Idaho Farm Bureau.

Chairman Collins called the meeting to order at 9:01 a.m.

MOTION: **Rep. Mason** made a motion to approve the minutes of February 6, 2019. **Motion carried by voice vote.**

H 102: **Rep. Blanksma** informed the committee **H 102** makes Idaho State Tax Commission (ISTC) decisions subject to the Administrative Procedures Act (APA). The impetus for the legislation arose from some counties challenging assessment values to agricultural land made by the State Board of Equalization based upon national data without the counties being allowed to present local data due to timing constraints. The counties were not given an opportunity to refute the decision because ISTC decisions are not appealable.

In response to committee questions, **Rep. Blanksma** replied she was unable to locate the reason the ISTC was not subject to the APA initially, and she had no knowledge about any other similarly situated agency bodies or other states except for the Idaho public health districts who became subject to the APA last year. In reply to committee questions on whether there would be a rules process to clarify how the statutory change would work on implementation of a State Board of Equalization order under the APA or if the order would remain in question possibly causing a tax shift, Rep. Blanksma replied there would be a tax shift and should be a tax shift. She remarked a lot of things could potentially happen on a daily basis that would fiscally impact the General Fund, and ISTC does not have a valid argument and has overstated the numbers concerning the potential fiscal impact caused by the need for ISTC to hire additional attorneys.

MOTION: **Rep. Chaney** made a motion to send **H 102** to the floor with a **DO PASS** recommendation.

In support of the motion, **Reps. Ricks, Chaney** and **Moyle** said counties should have the ability to appeal when they need to, the costs will not be as much as the fiscal note, and the ISTC had an opportunity to testify and did not.

In opposition to the motion, **Rep. Giddings** remarked the need is understandable, but she is not comfortable with the information presented and would like to hear from the ISTC whether costs will be \$2 million.

**VOTE ON
MOTION:** **Motion carried by voice vote. Rep. Blanksma** will sponsor the bill on the floor.

H 103: **Rep. Ricks** presented **H 103** that adds a disclosure on a voting ballot stating the amount a levy will cost a person on their taxes. Currently ballots state the total amount of the levy and not the cost over time to homeowners.

In response to committee questions, **Rep. Ricks** stated he anticipated seeing the disclosure in the question or the disclosure section of the ballot. Rep. Ricks gave an example how to calculate the estimated average annual cost to a property owner per \$100,000 of property value.

MOTION: **Rep. Anderst** made a motion to send **H 103** to the floor with a **DO PASS** recommendation.

Those speaking **in support** of **H 103** were **Brad Stutzman**, Idaho Falls, and **Russ Hendricks**, Idaho Farm Bureau, who opined the legislation provides more transparency for taxpayers before they vote by informing them what a particular levy will cost in terms they can understand and will ensure honesty in the process.

VOTE ON MOTION: **Motion carried by voice vote. Rep. Ricks** will sponsor the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 9:34 a.m.

Representative Collins
Chair

Lorrie Byerly
Secretary