

MINUTES
JOINT MEETING
HOUSE REVENUE & TAXATION COMMITTEE
SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE

DATE: Thursday, September 01, 2022

TIME: 9:00 A.M.

PLACE: Room WW02

MEMBERS: Chairman Harris, Vice Chairman Addis, Representatives Moyle, Chaney, Gestrin, Dixon, Nichols, Kauffman, Adams, Cannon (Carter), Hartgen, Manwaring, Okuniewicz, Weber, Shepherd, Necochea, Ruchti
Chairman Rice, Vice Chairman Grow, Senators Vick, Lakey, Souza (Funk), Bayer, Ricks, Semmelroth, Nye

**ABSENT/
EXCUSED:** None

GUESTS: The sign-in sheet will be retained in the committee secretary's office; following the end of the session the sign-in sheet will be filed with the minutes in the Legislative Library.

Chairman Harris called the meeting to order at 9:57 a.m.

Chairman Harris welcomed everyone in the audience and mentioned the members of the Senate Local Government and Taxation Committee were invited to be present for the public testimony portion of the hearing.

Chairman Rice expressed his appreciation for the Senate committee members being able to participate in listening to the public testimony at this time.

Chairman Harris turned the gavel over to **Vice Chairman Addis**.

H 1: **Chairman Harris** presented **H 1** to the committee and said the legislation is the same as was reviewed earlier today and no changes had been made.

Chairman Harris said the legislation provides a rebate of a half billion dollars. The legislation will help combat the rising inflation and will help the economy in Idaho. He said it will also provide ongoing relief by reducing the tax brackets. Funds will be transferred to the public school income fund for the benefit of the children of Idaho through the education system. He said this legislation will establish money for in demand careers. Chairman Harris said there is no policy in the bill associated with these funds. He reviewed some sections of the bill including a tax table with the repeal and reissue of the tax brackets.

In answering questions, **Chairman Harris** clarified this assures ongoing tax relief and will be distributed this year in September.

Vice Chairman Addis put the committee at ease at 10:15 a.m. He called the committee back in order at 10:21 a.m.

Rob Sauer, Homedale School District; **Fred Birnbaum**, Idaho Freedom Foundation; **Alex LaBeau**, IACI; **Sherri Ybarra**, State Department of Education; **Lyle Johnstone**, self; **Quinn Perry**, Idaho School Boards Assoc.; **Brian Kress**, Blackfoot School District; **Jackie Davidson**, self; **Layne McInnelly**, Idaho Education Assoc.; **Zach Borman**, West Ada Education Assoc.; **Brianna Gibson**, Idaho Education Assoc.; **Miguel Legarreta**, Associated Taxpayers spoke **in support** of the legislation. They were of the opinion that tax rebates are very much needed to help Idaho families and it is a good idea to give taxpayers money back. They spoke in support of the flat tax and making a historic investment in the education system. They mentioned this legislation is moving in the right direction toward inflation relief, including inflation relief for the schools. They spoke regarding showing Idaho kids they deserve better and Idaho school districts are underfunded. This legislation will be a strong step forward for education and in supporting teachers and educators.

Brian Almon, self; **Lorna Mitson**, self; **Jon Evans**, self; spoke **in opposition** to **H 1**. They were of the opinion this legislation is giving more money to education without the benefit to the children of Idaho. They spoke regarding opposition to the tax rebate minimums and taxes should be repealed.

Vice Chairman Addis put the committee at ease at 11:00 a.m. and brought the committee back to order at 11:01 a.m.

In closing, **Chairman Harris** reviewed points from the legislation and stood for questions.

Senate Local Government & Taxation Committee was excused at 11:04 a.m.

MOTION:

Rep. Weber made a motion to send **H 1** to the floor with a **DO PASS** recommendation. Speaking to the motion Rep. Weber said he appreciated the public testimony and expressed his full support for the positive impact this legislation will have on the business and education communities.

Rep. Necochea expressed gratitude to those in education for doing a hard job in challenging circumstances. She spoke **in support** of the motion because it was the right thing to do for kids and schools and urged the committee to do the same, even though her support was qualified because she did not support the tax policy.

Rep. Nichols expressed concern this legislation was put together quickly and the public has not had time to give their input. She said some people are not excited for this bill. She said she would like to have more time to hear from the people and she is hearing from constituents a need for tax review. This is a small tax relief plan and should be doing more for the people of Idaho.

Rep. Adams spoke **in support** of the motion saying education is important and the tax portion of this legislation is easy to support.

Rep. Shepherd expressed concern by saying this bill has two different issues, and he understands the timing and the need for the legislation. He said he will support the motion, but this may not a good road to go down.

Rep. Hartgen spoke **in support** of the motion with a belief in education and this will be good for Idaho.

Rep. Gestrin expressed concern, saying there needs to be a single subject in the legislation. He said he is an advocate of a flat tax and appreciated it in this legislation.

**VOTE ON
MOTION:**

Motion carried by unanimous voice vote. Chairman Harris will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting adjourned at 11:15 a.m.

Representative Addis
Chair

Susan Werlinger
Secretary