

MINUTES
HOUSE LOCAL GOVERNMENT COMMITTEE

DATE: Monday, March 20, 2023

TIME: 1:30 P.M.

PLACE: Room EW05

MEMBERS: Chairman Ehardt, Vice Chairman Kingsley, Representatives Clow, Erickson, Skaug, Weber, Alfieri, Cheatum, Cornilles, Dixon(24), Hawkins, Healey, Price, Wroten, Berch, Green, Galaviz

**ABSENT/
EXCUSED:** Reps. Erickson and Skaug

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

Chairman Ehardt called the meeting to order at 2:33 PM.

MOTION: **Rep. Berch** made a motion to approve the minutes of the March 14, 2023 meeting. **Motion carried by voice vote.**

S 1114: **Senator Schroeder** presented **S 1114**, and stated it is a simple bill focusing on impact fees. He read through Idaho Code 67 chapter 82 on the requirements for implementing impact fees and the role of development impact fee advisory committees. This legislation would amend the makeup of the advisory committee, specifically by allowing for individuals that reside outside of city limits but within the area of service of the entity or entities imposing the impact fee to be a part of the advisory committee.

When answering questions, **Senator Schroeder** clarified **S 1114** would not force members off of current development impact fee advisory committees. It would only change the requirements for who can be on these advisory committees by expanding the area of where possible members reside and removing the requirement of having two or more members who are not active in the business of development, building, and real estate. This would make it easier to find potential committee members who are willing to serve on an advisory committee. This legislation would not change the role of these committees.

Rep. Green declared Rule 80, and stated she works for a county single-wide highway district in Idaho.

Senator Schroeder acknowledged, with **S 1114** requiring two or more members to be active in the business of development, building, or real estate, it is possible for a development impact fee advisory committee to have a large majority or be entirely made up of members who are active in these businesses and it would be possible for a majority to have a conflict in interest. He stated these advisory committees do not make any decisions in regards to impact fees, but are there to give recommendations and provide a capital improvement plan to the governing body, such as a city council. Only the governing body can make decisions and choose whether or not to accept the committee's plan or recommendations.

Warren Wilson, city attorney of the City of Post Falls, testified **in support of S 1114**. He stated it is a laudable bill, and the parts the city had concerns with could be addressed with **Senator Schroeder** after this legislative session.

Ken Burgess, representing the Idaho Home Builders Association, testified in support of **S 1114**. He stated this legislation gave flexibility to who districts could select to be a member of these advisory committee.

MOTION:

Rep. Wroten made a motion to send **S 1114** to the floor with a **DO PASS** recommendation.

Rep. Clow spoke against the motion, and stated it was difficult to understand the changes **S 1114** was making. He did not see the necessity of allowing as many members of an advisory committee to be individuals in the business of development, building, and real estate and removing the requirement for having at least two members who are not active in these businesses.

Rep. Cornilles spoke in favor of the motion. He stated, based on his experience on a development impact fee advisory committee, there can be much difficulty finding individuals who want to be members. Expanding the area possible members can reside will make it easier to find individuals who want to be on these committees, and can be a good remedy for smaller communities.

Rep. Berch spoke against the motion, and stated he needed more information before he felt he could support **S 1114**. He agreed with the need the legislation was trying to address. However, the issues with conflicts of interests and possible unintended consequences that could occur due to this. Unless there are protections against conflicts of interests overriding the decisions and recommendations by an advisory committee, he could not support the legislation.

Rep. Weber spoke in favor of the motion. He stated, based on the language of **S 1114**, governmental employees or elected officials acting in their official capacity can not be appointed to a development impact fee advisory committee.

Rep. Alfieri spoke against the motion. He stated he shared **Rep. Berch's** concerns, and, based on what he has seen in the past, development impact fees advisory committees will often make the decision and city councils rubber stamp the decisions. If the intent of advisory committees to help the people have a say in these decisions, he stated he did not see this in **S 1114**.

Senator Schroeder stated development impact fees advisory committees are not site specific, and exist during the period of time that encompasses a ten year capital improvement plan. An advisory committee are only able to advise its governing body. There are already safe guards in place in current legislation that address impact fees.

**ROLL CALL
VOTE ON
MOTION:**

Chairman Ehardt requested a roll call vote on the motion to send **S 1114** to the floor with a **DO PASS** recommendation. **Motion carried by a vote of 12 AYE and 3 NAY and 2 Absent/Excused. Voting in favor of the motion: Reps. Ehardt, Kingsley, Weber, Cheatum, Cornilles, Dixon (24), Hawkins, Healey, Price, Wroten, Green, and Galaviz. Voting in opposition to the motion: Reps. Clow, Alfieri, and Berch. Reps. Erickson and Skaug were absent/excused. Rep. Weber** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the Committee, the meeting adjourned at 3:23 PM.

Representative Ehardt
Chair

Elijah Phipps
Secretary