

MINUTES
SENATE TRANSPORTATION COMMITTEE

DATE: Tuesday, February 25, 2020

TIME: 1:30 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Brackett, Vice Chairman Crabtree, Senators Winder, Den Hartog, Lodge, Rice, Burtenshaw, Buckner-Webb, and Nelson

ABSENT/ EXCUSED: None

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 Brackett** convened the meeting of the Senate Transportation Committee (Committee) at 1:33 p.m.

MINUTES APPROVAL: **Senator Lodge** moved to approve the Minutes of Thursday, February 13, 2020. **Senator Rice** seconded the motion. The motion passed by **voice vote**.

S 1349 **Senator Lodge**, District 11, said that **S 1349** concerns Idaho specialty license plates and how they offer non-profits an opportunity to advertise and promote their cause while they get paid to do so. For every specialty license plate, customers pay an extra \$25. From the total cost for a license plate, the non-profit receives \$36 and the Department of Motor Vehicles (DMV) of the Idaho Transportation Department (ITD) receives \$24. With Idaho's roads and bridges being a top priority with limited funding resources, the Legislature should be reallocating license plate dollars back into Idaho's roads. This bill remedies that by not financially benefitting any entity that is not the State of Idaho or an agency of the State of Idaho after July 1, 2020. Those funds will be directed into ITD's Highway Distribution Account (HDA).

Senator Lodge went through the specifics of the bill that included the educational institutions or colleges and universities exceptions, and the requirements for maintaining a specialty license plate based on annual sales. She concluded by saying that there needs to be an amendment to ensure that Idaho's private colleges and universities that already have successful specialty license plates, specifically The College of Idaho, Northwest Nazarene University, and Brigham Young University—Idaho, were also exempted. Finally, personalized and veterans license plates would not be affected.

MOTION: **Senator Rice** moved to send **S 1349** to the 14th Order of Business for possible amendment. **Senator Den Hartog** seconded the motion. The motion passed by **voice vote**. Senator Lodge will carry the bill on the Senate floor.

H 325 **Representative Palmer**, District 20 and Chairman of the House Transportation and Defense Committee, presented **H 325** and said that this bill increases the distribution to the Transportation Expansion and Congestion Mitigation (TECM) program from the current 1 percent of sales tax collected to 2 percent. He said it is similar to legislation brought last session. He concluded by arguing that some of the growing sales tax revenue collected should be used for transportation, especially given the amount of sales tax collected on the sale of vehicles.

DISCUSSION: **Senator Den Hartog** asked if redistributing the sales tax collected from the sale of used cars was an easier way to get funds for Idaho's roads than other proposals, like exempting sales tax on items that are used to build and maintain the roads. **Representative Palmer** said he was open to any suggestions that would add revenue to the transportation budget. He said **H 325** was a simpler solution than exempting the sale of specific implements and materials used on roads.

Senator Winder commented that this would amount to less than one-half of 1 percent of the total state budget.

MOTION: **Senator Nelson** moved to send **H 325** to the 14th Order of Business for possible amendment. **Vice Chairman Crabtree** seconded the motion.

DISCUSSION: **Senator Nelson** directed an observation to Representative Palmer that the road projects funded by TECM for the last two years have been located primarily in Canyon County, and he thought the funding needs to be shared across the state, especially targeting bridges. **Senator Den Hartog** asked Senator Nelson if he was suggesting a proposal similar to the HDA distribution. **Senator Nelson** said he could envision a 40/60 percent split, with the 40 percent going to bridge projects. **Senator Den Hartog** followed-up by asking Senator Nelson if he was thinking that 40/60 split should just be on the additional 1 percent, or if he wanted the full 2 percent divided at a 40/60 split. **Senator Nelson** responded to Senator Den Hartog that, like in last year's legislation, he thought the whole 2 percent should be split 40/60.

VOICE VOTE: The motion to send **H 325** to the 14th Order of Business for possible amendment passed by **voice vote**. **Chairman Brackett** offered to carry the bill on the Senate floor.

ADJOURNED: With no further business before the Committee, **Chairman Brackett** adjourned the meeting at 1:50 p.m.

Senator Brackett
Chair

Gaye Bennett
Secretary