

MINUTES
SENATE LOCAL GOVERNMENT & TAXATION COMMITTEE

DATE: Tuesday, January 26, 2016

TIME: 3:00 P.M.

PLACE: Room WW53

MEMBERS PRESENT: Chairman Siddoway, Vice Chairman Guthrie, Senators McKenzie, Johnson, Rice, Vick, Bayer, Stennett and Burgoyne

**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 Siddoway** called the meeting of the Local Government and Taxation Committee (Committee) to order at 3:03 p.m. and asked the secretary to take a silent roll.

GUBERNATORIAL APPOINTMENTS: **Chairman Siddoway** welcomed Steve Wallace, Director of the Idaho Board of Tax Appeals (Board), to the podium to introduce the appointees. **Mr. Wallace** highlighted the uniqueness of the entire Board appearing before the Committee at the same time and introduced each Board member in turn. **Senator Burgoyne** inquired whether the Board positions are part- or full-time and how members are compensated. **Mr. Wallace** responded that Board members serve no more than 80 days per year and earn a \$20-per-day stipend; they are also reimbursed for related expenses.

Chairman Siddoway welcomed Linda Pike, member of the Board. **Ms. Pike** provided a summary of her professional experience, pointing out that she was originally appointed to the Board in 1996; she also highlighted memorable cases over which she has presided. Ms. Pike then stood for questions.

Senator Johnson commented that he had the opportunity to meet Ms. Pike and appreciated her knowledge and commitment to her work.

Senator Burgoyne praised Ms. Pike's enthusiasm for her work on the Board and thanked her for her service.

Chairman Siddoway asked Ms. Pike to provide a brief description of the types of appeals heard and how many hearings are conducted each year. **Ms. Pike** replied that most appeals pertain to property tax exemptions, and the number of appeals submitted typically increases as the economy grows stronger. She specified that the Board conducted approximately 200 hearings in 2015. Ms. Pike continued to explain that most appeals are heard by one Board member and are benign; however, she did indicate that some appeals are contentious, and a hearing officer may be requested to accompany Board members.

Chairman Siddoway welcomed David E. Kinghorn, Chairman of the Board. **Mr. Kinghorn** provided a brief history of his professional experience, stating that he was appointed to the Board in 2001, has served as Chairman since 2012 and represents Eastern Idaho. He then stood for questions.

Senator Stennett asked for clarification regarding Mr. Kinghorn's dates of service, specifically why his term ends in June of this year. **Mr. Kinghorn** explained that because he was not immediately reappointed at the end of his previous term, he continued to serve as a holdover appointment into the new term, up for reappointment this year.

Chairman Siddoway asked for a synopsis of Mr. Kinghorn's work in general and if there are any issues that the legislature may address to facilitate the work of the Board. **Mr. Kinghorn** recognized that there is risk involved in handling appeals, but he works well with the counties in his jurisdiction to address potential risks. He specified that he typically holds hearings in courthouses to mitigate risk. **Chairman Siddoway** recognized Mr. Kinghorn's concerns relating to safety and security and asked that he continue to work with the Committee to ensure a safe working environment for the Board.

Chairman Siddoway welcomed Leland G. Heinrich, member of the Board. **Mr. Heinrich** commented briefly on the appeals process, listing factors that he believes foster agreement among Board members and ensure fairness in the decision making process. He provided a brief description of his background and professional experience and then stood for questions.

Senator McKenzie asked Mr. Kinghorn to comment on the types of issues coming before the Board and if suitable meeting places are available. **Mr. Heinrich** responded that the Board employs five staff members who arrange meeting places but that appropriate locations are often unavailable, providing specific examples.

Senator Bayer recognized Mr. Heinrich as a former legislator and thanked Mr. Heinrich for his public service.

Senator Burgoyne acknowledged the safety and security concerns brought to the attention of the Committee and praised the demeanor of the Board members in the execution of their job.

Chairman Siddoway thanked the Board members for appearing before the Committee and welcomed future input regarding safety and security. He indicated that confirmation votes may take place during the next Committee meeting.

ADJOURNMENT: There being no further business, **Chairman Siddoway** adjourned the meeting at 3:54 p.m.

Senator Siddoway
Chair

Jennifer Carr
Secretary