

MINUTES  
**HOUSE REVENUE & TAXATION COMMITTEE**

**DATE:** Thursday, February 04, 2016

**TIME:** 9:00 A.M.

**PLACE:** Room EW42

**MEMBERS:** Chairman Collins, Vice Chairman Trujillo, Representatives Moyle, Raybould, Anderson, Anderst, Dayley, Hartgen (Hartgen), Kauffman, Chaney, Nate, Scott, Thompson, Erpelding, Nye, Rudolph

**ABSENT/  
EXCUSED:** Representative Erpelding

**GUESTS:** Andrew Mitzel, John Eaton, Idaho Association of Realtors; Cynthia Adrian, Idaho State Tax Commission; Zach Hauge, Idaho Association of Commerce & Industry; Ben Davenport, Associated Taxpayers of Idaho; Erica Compton, Angela Hemmingway, STEM Action Center; Russ Hendricks, Farm Bureau Federation; Jonathan Parker, Holland & Hart; Jayson Ronk, Micron

**Chairman Collins** called the meeting to order at 9:00 A.M.

**H 431:** **Rep. Trujillo** presented **H 431** dealing with the homestead exemption. This legislation removes the index on the Idaho homestead exemption and places the exemption value at \$100,000 or 50 percent of assessed value, whichever is less. In 2006, the index was added to annually adjust the value based upon the housing price index. Unfortunately, during the recession, property values dropped and property taxes went up. It is the intent of this legislation to provide a stable and predictable tax policy so taxpayers can adequately plan for their tax burdens.

**John Eaton**, Idaho Association of Realtors, **Ben Davenport**, Associated Taxpayers of Idaho and **Russ Hendricks** on behalf of the Farm Bureau Foundation spoke **in support** of the bill which is a more stable and predictable tax policy. **Bob VanArnem** expressed concern with setting the exemption at a finite amount. He would prefer to see the exemption established as a percentage of assessed value.

**MOTION:** **Rep. Raybould** made a motion to send **H 431** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Rudolph** and **Nate** requested to be recorded as voting **NAY**. **Rep. Trujillo** will sponsor the bill on the floor.

**H 357:** **Rep. Nonini** introduced **Chris Widener**, former President Pro Tem of the Ohio State Senate, **David Burns** STEM Innovation Director for Battelle Ohio and **Terry Ryan**, CEO of Bluum and the Idaho Charter School Network who have been visiting the STEM Action Center. **Rep. Nonini** presented **H 357** which would add the STEM Education Fund to the educational entities for which a taxpayer would qualify for the existing income tax credit for charitable contributions to education-related funds. The STEM Action Center was established last year using State dollars with the goal of ongoing private participation by large corporations, charitable foundations and private citizens. The reason for this legislation is to help incentivize individual and corporate donations to support the work of the Idaho STEM Action Center.

In response to a question from **Rep. Scott**, **Senator Nonini** explained that the STEM Action Center was created by the Legislature in 2015 with the goal of promoting and creating the workforce pipeline of the future. The STEM Action Center works closely with State government, industry partners and economic development organizations to address the serious shortage of qualified applicants in jobs that require higher level skills and education in science, technology, engineering and mathematics.

**Jayson Ronk**, Micron Government Affairs and **Rep. DeMordaunt** spoke in **support** of this legislation citing the STEM Action Center's importance to Idaho's labor force and economy.

**Senator Nonini** responded to questions from **Rep. Nye** and **Rep. Thompson** relating to the sunset clause contained in the legislation .

**MOTION:** **Rep. Anderst** made a motion to send **H 357** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. DeMordaunt** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 9:45 A.M.

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Representative Collins  
Chair

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Bev Bean  
Secretary