MINUTES HOUSE REVENUE & TAXATION COMMITTEE

DATE: Friday, March 29, 2019

TIME: 8:30 A.M.

PLACE: Room EW42

MEMBERS: Chairman Collins, Vice Chairman Stevenson, Representatives Moyle, Anderst, Dayley, Chaney, Gestrin, Addis, Dixon, Furniss, Giddings, Nichols, Ricks, Erpelding, Ellis, Mason

ABSENT/ None EXCUSED:

GUESTS: Fred Birnbaum, Idaho Freedom Foundation; Brody Aston, Enterprise Car Rental.

Chairman Collins called the meeting to order at 8:30 a.m.

H 217aaS: **Rep.** Robert Anderst informed the committee that all the sponsors of the original bill spent time with the Senate in their amendment process and are roughly comfortable with the amendments, although there are some substantial differences. The amendments establish a threshold for triggering a vote for municipal buildings. H 606 established a threshold of 51% of project costs. The Senate thought it important to maintain this threshold because it was what the H 606 working group settled upon, but they recognized it established a dependency on public/public partnerships which was not the intent in H 606, but in public/private partnerships. H 217aaS aggregates all funds for urban renewal, and when the total of those funds are 51%, it triggers the requirement to vote for the construction of a municipal building. A \$1 million threshold is also incorporated regardless of the type of property. H 217 established a 55% approval when a vote is taken, and H 217aaS amended the approval rate to 60%. Total project costs will not include infrastructure. Since there was a concern in H 217 that the word "facilities" was not included next to "parking," H 217aaS incorporated that. Language was added to protect bonds issued prior to the effective date of the legislation from being impacted by elections because of concerns in financial markets that bonds already issued on projects requiring a vote could be deemed unlawful, resulting in inability to service the debt. The definition of a multipurpose sports complex was changed. The definition of a municipal building was changed to include whether they are or intended to be owned, operated or operated by, or leased to a public body or for the public benefit. Parts of H 217aaS fall in line with the original intent of H 217 and parts do not.

In response to committee questions, **Rep. Anderst** said the definition of public funds includes funds from cities. He further replied to questioning by saying that the emergency clause was removed since it only concerned a 90 day difference in the effective date and would have kept the legislation from moving forward if it wasn't removed. He further discussed how infrastructure did not count in the \$1 million in project costs to trigger a vote.

MOTION: Rep. Moyle made a motion to concur with the amendments made in the Senate to **H 217aaS**.

SUBSTITUTERep. Erpelding made a substitute motion to not concur with the amendmentsMOTION:made in the Senate to H 217aaS. Motion failed by voice vote.

VOTE ON
ORIGINAL
MOTION:Chairman Collins called for a vote on the motion to concur with the amendments
made in the senate to H 217aaS. Motion carried by voice vote. Reps. Erpelding,
Ellis and Mason requested to be recorded as voting NAY. Rep. Anderst will
sponsor the bill on the floor.

H 259aaS: Rep. Mike Moyle presented **H 259aaS** saying the Senate was concerned the funds received under this legislation would go into the tax relief fund and bypass the sales tax distribution formula, so they allowed it to go into the tax relief fund for five years and then sunset.

MOTION: Rep. Chaney made a motion to concur with the amendments made in the Senate to H 259aaS. Motion carried by voice vote. Rep. Moyle will sponsor the bill on the floor.

In response to committee questions, **Rep. Moyle** discussed solutions for tracking, differentiating and collecting from market facilitators and other internet sellers.

ADJOURN: There being no further business to come before the committee, the meeting adjourned at 9:10 a.m.

Representative Collins Chair Lorrie Byerly Secretary