

MINUTES OF THE MEETING OF THE HOUSE TAXATION COMMITTEE
February 21, 1983

The meeting was called to order at 5:45 p.m. by Chairman Yardley. Roll call was taken and all committee members were present.

Executive action was taken on HB 730 during this meeting.

HOUSE BILL 730

CHAIRMAN YARDLEY told committee members that Senator Stephens had advised the House leadership that HB 730 is not a revenue bill and the House members should, therefore, keep this in mind if any had hopes of its passage. The bill has to be sent to the Senate by the transmittal deadline.

REPRESENTATIVE HARP moved HB 730 DO PASS.

REPRESENTATIVE JACOBSEN said the measure should be amended on page 3, line 4, striking the word "interstate", if that would be agreeable with the sponsor of the bill.

REPRESENTATIVE JACOBSEN moved the amendment to HB 730.

GARY WICKS, Director of the Department of Highways, said the purpose of the bill was to provide flexibility for the state to meet the repair needs of the interstate highways. The bill contains needed authority for the department to do work not covered by federal contributions. He said the cost of the needed work would be about \$700,000 during the biennium. Mr. Wicks said he would be opposed to the amendment offered.

REPRESENTATIVE HARRINGTON also said he would oppose the motion. He said the gas tax was to be used primarily for secondary roads.

REPRESENTATIVE UNDERDAL asked if federal matching funds would be available if the work was done on the interstate. Mr. Wicks said it would not be because the federal government wouldn't participate in such work. Representative Underdal asked if the Highway Commission would have a say in where the work is to be done or if the Department of Highways would make that decision. Mr. Wicks said the Commission would decide.

REPRESENTATIVE JACOBSEN informed the committee that the proposed amendment meets the approval of the sponsor of the bill.

REPRESENTATIVE DEVLIN said that as he read the bill, it would not grant authority to spend money on construction of interstate. Much of the interstate system is in need of reconstruction. Mr. Wicks said that section 2, on page 3 of the bill, grants general

authority to the department to spend funds. The authority is limited, however, to pavement preservation work.

REPRESENTATIVE ZABROCKI asked the sponsor of the bill if this is what he wants. Representative Shontz, sponsor of the bill, said it was. He said the federal government left primary and secondary highways "high and dry".

REPRESENTATIVE DEVLIN asked why the preservation funds cannot be used for routine repairs. Mr. Wicks said the department wants to do some seal coating and federal dollars will not cover that. The Department of Highways will not spend state dollars where they could spend federal dollars but in this case they have to spend state dollars.

The motion to amend HB 730 was voted on and FAILED. A roll call vote was taken and all committee members voted no except Representatives Devlin, Jacobsen, Nordtvedt, Switzer and Vinger, who voted yes. Representative Dozier was not present during the vote.

REPRESENTATIVE NORDTVEDT moved to amend HB 730 by striking the language on lines 18 through 24, page 4 of the bill.

The motion was voted on and FAILED. All committee members voted no except Representative Nordtvedt, who voted yes.

REPRESENTATIVE REAM moved to amend HB 730 on pages 1, 2, 3 and 4 by deleting the words "trust fund" or "trust" where those words follow "highway reconstruction". He said he is making that amendment for consistency of language. This bill has nothing to do with a trust fund - it is not a trust.

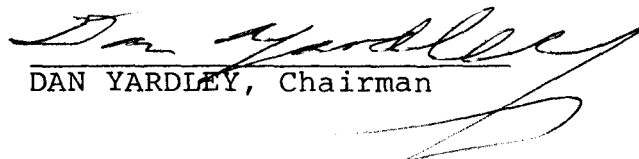
REPRESENTATIVE SWITZER asked Mr. Wicks what reference was made to the account which was authorized last session. Mr. Wicks said the proposed amendment will not change the intent of the bill and will not give the department any problems with the bill.

REPRESENTATIVE WILLIAMS asked if the reconstruction trust fund wasn't set up two years ago using the word "trust". Mr. Wicks said that was correct.

The motion was voted on and FAILED. All committee members voted no except Representatives Nilson, Ream, Asay, Nordtvedt and Underdal.

The motion that HB 730 DO PASS was voted on and PASSED. All committee members voted yes except Representatives Nordtvedt, Asay and Devlin, who voted no.

The meeting was adjourned at 6:15 p.m.


DAN YARDLEY, Chairman


Vicki Lofthouse, Secretary