

SENATE FINANCE COMMITTEE

April 16, 2015

9:05 a.m.

9:05:10 AM

CALL TO ORDER

Co-Chair MacKinnon called the Senate Finance Committee meeting to order at 9:05 a.m.

MEMBERS PRESENT

Senator Anna MacKinnon, Co-Chair
Senator Peter Micciche, Vice-Chair
Senator Click Bishop
Senator Mike Dunleavy
Senator Lyman Hoffman
Senator Donny Olson

MEMBERS ABSENT

Senator Pete Kelly, Co-Chair

ALSO PRESENT

Chuck Kopp, Staff, Senator Peter Micciche; Representative Cathy Munoz, Sponsor.

PRESENT VIA TELECONFERENCE

Ron Brown, State Assessor, Department of Commerce, Community and Regional Affairs, Community and Economic Development.

SUMMARY

SB 9 ELECTION PAMPHLETS

SB 9 was HEARD and HELD in committee for further consideration.

CSHB 146(CRA)

MUNICIPAL TAX EXEMPTION

SCS CSHB 146(CRA) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN2 (CED).

#sb9

SENATE BILL NO. 9

"An Act repealing the authority to include certain material from a political party in the election pamphlet."

[9:06:03 AM](#)

SENATOR PETER MICCICHE, SPONSOR explained that the legislation would repeal the authority to include advertisements in election pamphlets. He shared that the inclusions of advertisements in the election information pamphlet was too closely aligned with the ballot. He felt that it was not worth the 1 percent income.

[9:07:34 AM](#)

CHUCK KOPP, STAFF, SENATOR PETER MICCICHE, restated that the bill would repeal the three sections in Title 15 that spoke to political party advertising in the publicly funded general election pamphlet.

Co-Chair MacKinnon CLOSED public testimony.

Mr. Kopp stated his full name.

SB 9 was HEARD and HELD in committee for further consideration.

#hb146

CS FOR HOUSE BILL NO. 146(CRA)

"An Act relating to a municipal tax exemption for certain subdivided property."

[9:09:48 AM](#)

REPRESENTATIVE CATHY MUNOZ, SPONSOR, remarked that the optional and mandatory exemptions did not decrease the full and true value as reported to the Department of Education and Early Development (DEED).

Co-Chair MacKinnon asked for a restatement. Representative Munoz explained that there was a question regarding the impact of the exemption on a community's full and true value. She stated that an exemption could not decrease the full and true value of a community's reportable tax base. There would be more sub-divided property on the property rolls, so the community's property tax income would increase.

Co-Chair MacKinnon understood that optional exemptions reduced the true value. She queried more information regarding the true value.

[9:11:19 AM](#)

RON BROWN, STATE ASSESSOR, DEPARTMENT OF COMMERCE, COMMUNITY AND REGIONAL AFFAIRS, COMMUNITY AND ECONOMIC DEVELOPMENT (via teleconference), explained that there were two types of exemptions: mandatory and optional. Mandatory exemptions acted to increase the local full and true value determination for the school funding formula. Optional exemptions, which were concerted in HB 146, must be appraised by the local assessor and reported to Department of Commerce, Community and Economic Development (DCCED) in an annual report.

Senator Olson wondered if the legislation would affect the two boroughs in his district. Representative Munoz replied that it would be an optional exemption.

Senator Olson surmised that it would be a tool to further a community's agenda. Representative Munoz agreed.

Vice-Chair Micciche assumed that a local municipality could exempt the increased value, because of a property subdivision. Once services were received, the additional assessment could apply. Representative agreed.

Co-Chair MacKinnon urged the municipalities to apply a maximum dollar amount. She felt that some large companies may take advantage of the possible lower tax rates.

[9:15:35 AM](#)

AT EASE

[9:16:11 AM](#)

RECONVENED

Vice-Chair Micciche stated that there was one zero fiscal note from Department of Commerce, Community and Economic Development.

Vice-Chair Micciche MOVED to REPORT SCS CSHB 146(CRA) out of committee with individual recommendations and the accompanying fiscal notes.

SCS CSHB 146(CRA) was REPORTED out of committee with a "do pass" recommendation and with one previously published zero fiscal note: FN2 (CED).

9:17:35 AM

AT EASE

9:19:53 AM

RECONVENED

Co-Chair MacKinnon discussed the following meeting's agenda.

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ADJOURNMENT

9:20:34 AM

The meeting was adjourned at 9:20 a.m.