

SENATE FINANCE COMMITTEE

May 7, 2025

9:06 a.m.

9:06:30 AM

CALL TO ORDER

Co-Chair Hoffman called the Senate Finance Committee meeting to order at 9:06 a.m.

MEMBERS PRESENT

Senator Lyman Hoffman, Co-Chair
Senator Donny Olson, Co-Chair
Senator Bert Stedman, Co-Chair
Senator Mike Cronk
Senator James Kaufman
Senator Jesse Kiehl
Senator Kelly Merrick

MEMBERS ABSENT

None

ALSO PRESENT

Senator Cathy Giessel, Sponsor; Senator Gary Stevens, Sponsor; Tim Lamkin, Staff, Senator Gary Stevens.

SUMMARY

SB 24 TOBACCO/NICOTINE/E-CIG AGE; E-CIG TAX

CSSB 24(FIN) was REPORTED out of committee with two "do pass" recommendations, one "amend" recommendation, three "no recommendations"; one new fiscal note from the Department of Revenue, and seven previously published zero fiscal notes: FN 1(CED), FN 2(ADM), FN 3(ADM), FN 4(DOH), FN 6(DPS), FN 7(AJS), FN 8(LAW).

SB 34 REPEAL 90 DAY SESSION LIMIT

SB 34 was HEARD and HELD in committee for further consideration.

SB 92 CORP. INCOME TAX; OIL and GAS ENTITIES

CSSB 92(FIN) was REPORTED out of committee with three "do pass" recommendations, two "do not pass" recommendations, and two "no recommendations"; and with one previously published indeterminate fiscal note: FN 1(REV).

#sb34

SENATE BILL NO. 34

"An Act relating to the duration of a regular session of the legislature."

9:07:35 AM

SENATOR CATHY GIESSEL, SPONSOR, introduced the legislation. She believed that the bill would help voter confidence in the work that was done in the legislature. She relayed that the bill would repeal the 90-day session statute, which had been passed in 2006 after a citizen initiative. The initiative was intended to streamline the legislative process and encourage legislators to get the work done. She addressed a chart that quantified how many days the legislature had been in session (copy on file). She noted that the bill became effective in 2008. She made note of special sessions and session lengths. She pointed out that there had only been two 90-day sessions since that time, in 2010 and 2013. In 2020 there was a session of only 69 days due to the Covid-19 pandemic. The following year there had been a legislative session of 217 days in total, including three special sessions. She believed the 90-day requirement undermined voter confidence.

Senator Giessel drew attention to a document that listed the price of oil (copy on file). She contemplated that the legislature went over 90 days of session due to the complicated issues it had to deal with. She highlighted 2006 when the initiative passed and noted that the price of oil in 2008 was \$204/bbl and was the highest price to date. The same year the initiative was also implemented, and the legislature went for 150 days, including special sessions. She mentioned policy issues. She highlighted that the oil price had plummeted to \$63/bbl the following year. She remarked on the oil price volatility shown on the document and noted the complexities the legislature had to deal with. She thought that Co-Chair Hoffman had commented that

the fiscal situation was the worst he ever recalled in his many years in the legislature.

Co-Chair Hoffman clarified that he had been in the legislature for 39 years.

Senator Giessel emphasized that the 90-day session was well-intentioned but was unrealistic. She pondered that a repeal would assuage public frustration. She mentioned that there was a sectional analysis for member to consider.

Co-Chair Hoffman thought the bill was straightforward and relayed that the committee would forego consideration of a sectional analysis.

[9:11:53 AM](#)

Co-Chair Stedman recalled that the creation of the 90-day session had been driven by two members of the legislature, neither of which were in leadership. He thought both members had wanted to return home for other business dealings.

[9:12:27 AM](#)

Co-Chair Hoffman reported that he had been to more special sessions than regular sessions.

[9:12:41 AM](#)

Co-Chair Hoffman OPENED public testimony.

Co-Chair Hoffman CLOSED public testimony.

Senator Kiehl reviewed the fiscal note. The note was prepared by the Legislative Affairs Agency. There was no cost to the note, and he affirmed that the legislature always had a 120-day session in its budget.

[9:13:17 AM](#)

AT EASE

[9:13:40 AM](#)

RECONVENED

SB 34 was HEARD and HELD in committee for further consideration.

#sb24

SENATE BILL NO. 24

"An Act relating to tobacco, tobacco products, electronic smoking products, nicotine, and products containing nicotine; raising the minimum age to purchase, exchange, or possess tobacco, a product containing nicotine, or an electronic smoking product; relating to the tobacco use education and cessation fund; relating to the taxation of electronic smoking products and vapor products; and providing for an effective date."

[9:13:40 AM](#)

Co-Chair Hoffman relayed that the committee first heard the bill on April 1 and had taken public testimony and reviewed the fiscal note at the time. The amendment deadline was April 11, and the co-chairs had received one amendment. A small technical change was brought to the attention of the committee after the amendment deadline. The committee would consider the amendment.

[9:14:30 AM](#)

SENATOR GARY STEVENS, SPONSOR, reintroduced the legislation. He explained that the bill was about protecting children from becoming addicted. The bill restricted sales and possession of nicotine products by young people. The bill was an effort to push back on a multi-billion industry trying to addict young people to the substances. The bill raised the legal age to buy, sell, use, and possess cigarettes, nicotine products, and e-cigarettes to 21. He relayed that taxing of the products was shown to reduce consumption.

[9:15:27 AM](#)

TIM LAMKIN, STAFF, SENATOR GARY STEVENS, relayed that the bill was very similar to a bill that had passed the committee previously. He asked if he should review components of the bill or address members' questions.

[9:15:39 AM](#)

Co-Chair Stedman asked if SB 24 was identical to the bill passed in the committee one year previously. He asked about an effective date change.

[9:15:48 AM](#)

Mr. Lamkin replied that there was a slight change to the bill from the Senate Labor and Commerce Committee.

Co-Chair Stedman asked about the change.

Mr. Lamkin explained that there was an exemption added to the bill related to online sales of cigars and pipe tobacco.

Co-Chair Hoffman relayed that the committee would consider amendments.

[9:16:37 AM](#)

Senator Kaufman MOVED to ADOPT Amendment 1, 34.LS0260\1. I, Nauman, 4/2/25 (copy on file):

Page 1, lines 4-5

Delete "relating to the taxation of electronic smoking products and vapor products;"

Page 7, line 9:

Delete "43.50.850 - 43.50.900" 7 Insert "43.50.850 - 43.50.870" 8

Page 8, lines 6- 11:

Delete all material.

Renumber the following bill sections accordingly.

Page 10, line 15:

Delete "Licensing, and Tax" 16 Insert "and Licensing"

Page 10, line 16, through page 11 , line 15:

Delete all material.

Page 11, line 16:

Delete "Sec. 43.50.860"

Insert "Sec. 43.50.850"

following "faith;":

Insert "or"

Page 11, line 25:
Delete or" 7 Insert 8

Page 11 , line 26:
Delete all material.

Page 12, lines I - 2:
Delete "; and"

Page 12, line 3:
Delete all material.

Page 12, line 20, through page 13, line 5:
Delete all material.

Page 13, line 6:
Delete "Sec. 43.50.880" 27
Insert "Sec. 43.50.860"

Page 13, lines 14 - 15:
Delete "authorized by law to possess electronic
smoking products not taxed under this chapter"
24 - 25:
Delete "authorized by law to possess electronic
smoking products not taxed under this chapter"

Page 13, line 27:
Delete
Insert "and"

Page 13, lines 28 - 29:
Delete ", and the tax imposed on the electronic
smoking product under this chapter has been paid"

Page 14, line 31, through page 15, line 3:
Delete all material.

Page 15, line 4:
Delete "Sec. 43.50.885" 19
Insert "Sec. 43.50.870"

Page 15, line 19, through page 16, line 8:
Delete all material.

Renumber the following paragraphs accordingly.

Page 21, line 9:
Delete "sec. 24"
Insert "sec. 23"

Page 23, line 24:
Delete "sec. 26"
Insert "sec. 5"

Page 23, line 25:
Delete " 16, 19, and 25"
Insert " 18, and 24" 19

Page 23, line 26:
Delete "sec. 29"
Insert "sec. 28"

[9:16:44 AM](#)

Co-Chair Hoffman OBJECTED for discussion.

[9:17:03 AM](#)

AT EASE

[9:17:05 AM](#)

RECONVENED

Senator Kaufman explained that the amendment would remove the tax component of the bill, which he thought had been the impediment to the legislation moving forward. He thought the bill would do good work without the tax component.

Co-Chair Hoffman asked for the sponsor's position on the amendment.

[9:17:46 AM](#)

Senator Stevens appreciated the amendment sponsor's thought process. He contended that the tax caused less usage [of tobacco products]. He used the example of the tobacco tax and noted that every time the legislature increased the tax, consumption was reduced. He was opposed to the amendment.

[9:18:26 AM](#)

Senator Kaufman thought it had been reported that there was already headway being made on the intent of the bill. He thought the bill might be getting in its own way of getting into statute.

Co-Chair Hoffman MAINTAINED his OBJECTION.

Senator Kaufman MOVED to WITHDRAW Amendment 1. There being NO OBJECTION, it was so ordered.

[9:19:21 AM](#)

Senator Kiehl MOVED to ADOPT Amendment 2, 34-LS0260\I.2, Nauman, 5/5/25 (copy on file):

Page 3, line 24:
Delete "19"
Insert "18, 19,"

Co-Chair Hoffman OBJECTED for discussion.

[9:19:36 AM](#)

Senator Kiehl explained the amendment, which was a small technical fix related to putting 18-year-olds in a group with 19- and 20-year-olds in the context of getting a ticket and not a mandatory court appearance.

[9:20:18 AM](#)

Senator Stevens appreciated and supported the amendment.

Co-Chair Hoffman WITHDREW his objection. There being NO further OBJECTION, Amendment 2 was adopted.

[9:20:39 AM](#)

AT EASE

[9:21:55 AM](#)

RECONVENED

Senator Kiehl MOVED to REPORT SB 24 from committee with individual recommendations and attached fiscal notes. There being NO OBJECTION, it was so ordered.

CSSB 24(FIN) was REPORTED out of committee with two "do pass" recommendations, one "amend" recommendation, three

"no recommendations"; one new fiscal note from the Department of Revenue, and seven previously published zero fiscal notes: FN 1(CED), FN 2(ADM), FN 3(ADM), FN 4(DOH), FN 6(DPS), FN 7(AJS), FN 8(LAW).

[9:22:41 AM](#)

AT EASE

[9:26:56 AM](#)

RECONVENED

#sb92

SENATE BILL NO. 92

"An Act establishing an income tax on certain entities producing or transporting oil or gas in the state; and providing for an effective date."

[9:27:34 AM](#)

Senator Kiehl MOVED to REPORT SB 92 out of Committee with individual recommendations and the accompanying fiscal notes.

[9:27:55 AM](#)

Senator Kaufman OBJECTED for discussion. He stated that he did not support the fiscal plan. He thought the bill attempted to accomplish the tax pieces of the fiscal plan but without the other functional pieces, including many things developed in the Fiscal Policy Working Group. He thought a comprehensive plan would include such elements as a spending cap, better management processes within the executive branch, and other items. He thought the tax proposed in the bill risked "upsetting the apple cart" for those that would come to the state to do transformative work. He did not support the bill.

Senator Kaufman WITHDREW his objection. There being NO further OBJECTION, it was so ordered.

CSSB 92(FIN) was REPORTED out of committee with three "do pass" recommendations, two "do not pass" recommendations, and two "no recommendations"; and with one previously published indeterminate fiscal note: FN 1(REV).

[9:29:18 AM](#)

AT EASE

9:31:20 AM

RECONVENED

Co-Chair Hoffman relayed that the afternoon meeting was canceled.

#

ADJOURNMENT

9:31:34 AM

The meeting was adjourned at 9:31 a.m.