

Approved May 3, 2002
Date

MINUTES OF THE HOUSE COMMITTEE ON TAXATION

The meeting was called to order by Chairman Edmonds at 9:00 a.m. on April 10 , 2002 in Room 519-S of the Capitol.

All members were present except: Representative Cook
Representative Tafanelli

Committee staff present: Chris Courtwright, Legislative Research Department
April Holman, Legislative Research Department
Don Hayward, Revisor
Winnie Crapson, Secretary

Conferrees appearing before the Committee: Representative Aurand

Others Attending: See attached list.

Consideration was opened on **HB 2577 - School district finance, teachers' enhancement for affordable community housing weighing.**

Representative Aurand reviewed the history of **HB 2577**: It was introduced March 26, 2001; referred to this Committee March 27, 2001; hearing was held March 30, 2001. The bill added a Teachers' Enhancement for Affordable Community Housing weighting to the school finance formula available only to school districts that have adopted a 25.0 percent local option budget and in which the average appraised value of single family residences is greater than 125.0 percent of the statewide average and that the amount received from this weighting must be expended to enhance teachers' salaries. On March 30, 2001 the Committee amended the bill adding a protest petition/election provision on access to the property tax levying authority and limited the weighting to a maximum of 10.0 percent of a school district's general fund budget. The bill was reported favorable for passage as amended March 30, 2001. On May 7, 2001 it was removed from the calendar and re-referred to this Committee.

Representative Aurand explained the intent was to allow school districts to provide salaries to teachers in school districts where cost of housing might otherwise prevent them living in the district. Representative Aurand distributed a chart showing effect of this weighting on some school districts (**Attachment #1**) and referred to census figures showing housing costs are 16.07 percent of average household income. He responded to questions from members of the Committee.

Representative Huff moved, seconded by Representative Owens, to amend HB 2577 to reflect current dates. Motion was adopted.

Representative T. Powell moved, seconded by Representative Vickery, to include facility weighting similar to provisions in HB 2804. Motion was adopted.

Representative Gatewood moved, seconded by Representative L. Powell, to amend HB 2577 to include districts with declining enrollment. Motion was adopted.

Representative Larkin moved, Representative Sharp seconded, to amend HB 2577 to increase the base \$40. Motion was adopted.

Representative Larkin moved, Representative Flora seconded, to amend HB 2577 so the formula for local option budgets would apply.

Representative T. Powell moved, Representative Howell seconded, to table HB 2577. Motion was adopted.

Meeting adjourned at 9:25 a.m. Next meeting is April 11.