

**MINUTES OF THE FLOOR MEETING
OF THE
ASSEMBLY COMMITTEE ON REVENUE**

**Eighty-Second Session
June 4, 2023**

The Committee on Revenue was called to order by Chair Shea Backus at 7:55 p.m. on Sunday, June 4, 2023, behind the bar of the Assembly.

COMMITTEE MEMBERS PRESENT:

Assemblywoman Shea Backus, Chair
Assemblywoman Venicia Considine, Vice Chair
Assemblywoman Natha C. Anderson
Assemblywoman Lesley E. Cohen
Assemblywoman Danielle Gallant
Assemblyman Ken Gray
Assemblyman Gregory T. Hafen II
Assemblywoman Erica Mosca
Assemblyman Duy Nguyen
Assemblyman David Orentlicher
Assemblywoman Shondra Summers-Armstrong

COMMITTEE MEMBERS ABSENT:

Assemblyman P.K. O'Neill (excused)

STAFF MEMBERS PRESENT:

Michael Nakamoto, Chief Principal Deputy Fiscal Analyst
Susanna Powers, Deputy Fiscal Analyst
Gina Hall, Committee Secretary
Cheryl Williams, Committee Assistant

Chair Backus:

[Roll was taken] The only item we have this evening is Senate Bill 233 (1st Reprint). I will open the work session on S.B. 233 (R1) and turn it over to Ms. Powers.

Senate Bill 233 (1st Reprint): Revises provisions governing taxes imposed on certain heavy equipment. (BDR 32-87)

Susanna Powers, Deputy Fiscal Analyst:

Senate Bill 233 (1st Reprint) was sponsored by Senator Cannizzaro and heard by this Committee on June 2, 2023. Senate Bill 233 (1st Reprint) provides an exemption from



personal property taxes for qualified heavy equipment rental property, imposes a new tax at the rate of 2 percent of the gross receipts from the rental of this heavy equipment, creates a mechanism by which the Department of Taxation is required to compare actual collections from the excise tax to the personal property tax that would have been paid in fiscal year (FY) 2025 and FY 2026 for any additional amount of tax owed by heavy equipment rental companies should the excise tax collected be less than the calculated personal property tax, and provides for General Fund appropriations to the Department of Taxation in FY 2024 and FY 2025 to carry out the provisions of this act. There were no amendments proposed to this bill.

Chair Backus:

I will entertain a motion to refer S.B. 233 (R1) without recommendation out of the Assembly Committee on Revenue.

ASSEMBLYMAN GRAY MOVED TO REFER SENATE BILL 233
(1ST REPRINT) WITHOUT RECOMMENDATION.

ASSEMBLYWOMAN GALLANT SECONDED THE MOTION.

Is there any discussion on the motion?

Assemblywoman Cohen:

This is the third time around for this bill. I did not like this bill last session. I do not like it this session. I have my notes from last session, when the bill was still a bill draft request and I was speaking with proponents who said the Chair in 2019 was okay with the bill, but it was too late to get the bill passed by the time there was an agreement, and that the assessors were onboard. I have my notes where I spoke to that Chair, who said the assessors were still in disagreement, and the Chair did not agree with the bill in 2019. We did not pass the bill out last session. The assessors are still not in agreement, counties are still not in agreement, and I am going to be voting no on the floor if it gets there. I just think this is bad policy at this point.

Chair Backus:

Are there any other comments or questions?

Assemblyman Gray:

I am going to take the other side. I am going encourage folks to vote for it. I agree with you, the assessors are nervous. I personally would not back anything I thought was going to hurt especially the rural counties, but there is the true-up and this has been a different session than 2019 and 2021. I think it is the just thing to do, and I think we need to push it forward.

Chair Backus:

Are there any other questions or comments? [There were none.]

THE MOTION PASSED. (ASSEMBLYWOMEN ANDERSON, COHEN, CONSIDINE, AND SUMMERS-ARMSTRONG VOTED NO. ASSEMBLYMAN O'NEILL WAS ABSENT FOR THE VOTE.)

We will report to the floor that S.B. 233 (R1) was referred without recommendation. Since we opened a formal meeting, is there any public comment?

[Public comment was given.]

Chair Backus:

We are adjourned [at 8:01 p.m.].

RESPECTFULLY SUBMITTED:

Gina Hall
Committee Secretary

APPROVED BY:

Assemblywoman Shea Backus, Chair

DATE: _____