

MINUTES
HOUSE STATE AFFAIRS COMMITTEE
HARRIS SUBCOMMITTEE
HARRIS

DATE: Wednesday, January 18, 2017

TIME: 9:00 A.M.

PLACE: Room EW40

MEMBERS: Chairman Harris, Representatives Barbieri, Jordan, Giddings, Zito, Armstrong

**ABSENT/
EXCUSED:** None

GUESTS: Ardie Noyes, Idaho Racing Commission; Sarah Hilderbrand, Division of Purchasing; Valerie Bollinger, Division of Purchasing; Dennis Stevenson, Office of Administrative Rules ; Paul Kjellander, Idaho Public Utilities Commission; Jeremy Pisca, Risch Pisca; Russell Westerberg, Coeur d' Alene Racing.

Chairman Harris called the meeting to order at 9:01 a.m.

DOCKET NO. 31-4602-1602: **Paul Kjellander**, Commissioner, Idaho Public Utilities Commission, presented **Docket No. 31-4602-1602**, rules governing Telecommunication Relay Services (TRS). He stated the changes made accomplish four objectives: (1) delete obsolete references; (2) correct misspellings and outdated e-mail addresses; (3) improve the clarity or readability of rules, and (4) simplify the Administrators' process for requesting proposals from TRS providers.

MOTION: **Rep. Giddings** made a motion to recommend that the full committee approve **Docket No. 31-4602-1602. Motion carried by voice vote.**

DOCKET NO. 11-0403-1601: **Ardie Noyes**, Management Assistant, Idaho Racing Commission, presented **Docket No. 11-0403-1601**, rules governing licensing and fees. She stated the fee is being imposed pursuant to Section 54-2508, Idaho Code. Under Section 54-2508, Idaho Code, the Idaho State Racing Commission is responsible for the licensing of any person that participates, directly or indirectly, in any race meet in the State of Idaho. She stated part of the licensing process is to obtain the criminal history of license applicants by submitting fingerprints to the Federal Bureau of Investigation via the Idaho State Police Bureau of Criminal Identification. Since 2012 the Commission has charged applicants \$15.00 per fingerprint card but the fee charged to the Racing Commission by the FBI is currently set at \$25.00 per fingerprint card. Over the past four years the Commission has paid approximately \$22,700 more in fees than they have collected. A change in the rule to allow the Commission to charge the full amount of the fee charged by the Federal Bureau of Investigation, via the Idaho State Police Bureau of Criminal Identification, to each applicant as it is changed by the FBI will eliminate future losses. The fee for the fingerprinting of license applicants that is currently set at \$15.00 per fingerprint card will be raised to the full cost charged to the Racing Commission as it is changed. The fee as of September 2, 2016, is \$25 per fingerprint card.

In response to committee questions, **Ms. Noyes** stated there were approximately 600 licenses issued the last year, and half were fingerprinted. She stated in a strong year there are 1,200-1,800 license applications processed. She stated the Racing Commission uses the FBI background check to examine if the applicant has any criminal activity in other states, currently there is no working agreement with other states regarding that information. She stated the Racing Commission wants to ensure license holders do not have criminal convictions, drug convictions (relating to horses), fraud convictions or charges relating to pari-mutuel wagering. She stated the \$25.00 fee has been coming out of the Racing Commission's operating budget and it is harming the budget that covers live horse racing.

MOTION: **Rep. Jordan** made a motion to recommend that the full committee approve **Docket No. 11-0403-1601. Motion failed by voice vote.**

DOCKET NO. 38-0501-1601: **Sarah Hilderbrand**, Administrator, Division of Purchasing, presented **Docket No. 38-0501-1601**, rules governing the Division of Purchasing. She stated the rulemaking is a result of new legislation effective July 1, 2016, which created the "State Procurement Act." The Act requires the Administrator of the Division of Purchasing to promulgate rules regarding the process and factors influencing the decision to grant, continue and revoke delegated purchasing authority; as well as rules establishing policies and procedures related to the administration, management, monitoring and oversight of contracts entered into by an agency. She also stated the rulemaking also includes additional minor modifications intended to clarify, consolidate and modernize existing language; including (but not limited to) establishing the form for preservation of records within the Division of Purchasing, updates to the definition section, as well as revisions to reflect minor modifications which were adopted in the State Procurement Act.

In response to committee questions, **Ms. Hilderbrand** stated there are guidelines in place in regards to selecting state procurement agents which includes their qualifications, experience and general knowledge of the field. She stated Section 046, Determination of Fair Market Price for Rehabilitation Agency Acquisitions, is used to simply check on the market as a comparison tool and is used in 1/2% of contracts.

MOTION: **Rep. Giddings** made a motion to recommend that the full committee approve **Docket No. 38-0501-1601. Motion carried by voice vote.**

MOTION: **Rep. Barbieri** made a motion to reconsider **Docket No. 11-0403-1601.**

SUBSTITUTE MOTION: **Chairman Harris** made a substitute motion to recommend that the full committee reject **Docket No. 11-0403-1601.**

AMENDED SUBSTITUTE MOTION: **Rep. Barbieri** made an amended substitute motion to recommend that the full committee approve **Docket No. 11-0403-1601 Section 050.03** with the exception of **Section 050, 01 and 02.** He spoke to the motion and stated we should allow the Racing Commission to recoup costs that they pay.

ROLL CALL VOTE: **Chairman Harris** called for a Roll Call vote on the amended substitute motion to recommend that the full committee approve **Docket No. 11-0403-1601 Section 050.03** with the exception of **Section 050, 050.01 and 050.02. Motion failed by a tie vote of 3 AYE, 3 NAY. Voting in favor** of the motion: **Reps. Barbieri, Giddings and Armstrong. Voting in opposition** to the motion: **Chairman Harris, Reps. Zito and Jordan.**

VOTE ON SUBSTITUTE MOTION: **Chairman Harris** called for a vote on the substitute motion to recommend that the full committee reject **Docket No. 11-0403-1601. Motion carried by voice vote.**

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:13 a.m.

Representative Harris
Chair

Kasey Winder
Secretary