

MINUTES
SENATE STATE AFFAIRS COMMITTEE

DATE: Friday, February 04, 2022

TIME: 8:00 A.M.

PLACE: Room WW55

MEMBERS PRESENT: Chairwoman Lodge, Vice Chairman Guthrie, Senators Winder, Anthon, Harris, Lee, McClusky (Heider), Stennett, and Burgoyne

ABSENT/ EXCUSED: None

NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.

CONVENED: **Chairwoman Lodge** called the meeting of the Senate State Affairs Committee (Committee) to order at 8:06 a.m.

GUBERNATORIAL APPOINTMENT: **THE GUBERNATORIAL APPOINTMENT** of John Hammond to the Idaho Public Utilities Commission (IPUC).

Mr. Hammond introduced himself to the Committee. He gave an overview of his background and experience. **Mr. Hammond** said that his interest in serving as a commissioner stemmed from his time as a deputy attorney general at the IPUC. He remarked that he is excited to fulfill the quasi-judicial role of an IPUC commissioner.

DISCUSSION: **Senator Burgoyne** stated that he had a conflict of interest pursuant to Senate Rule 39(H) but intended to vote.

In response to questions from **Senator Burgoyne** about the relevance of his former role at the IPUC and his experience as a legal decision maker, **Mr. Hammond** answered that he represented the IPUC staff in every case filed before the IPUC. He explained that he became counsel for the commissioners once the record was fully submitted. He worked through problems with the commissioners and helped them reach decisions, he said. **Mr. Hammond** added that he would bring value to the IPUC through his experience with IPUC legal issues. He mentioned that he does not have experience as a hearing officer or arbitrator.

Senator Burgoyne commented that the IPUC is likely to address the issue of alternative energy, involving diverse issues of fact and complex law. He asked whether Mr. Hammond could act in an independent manner with respect to these issues. **Mr. Hammond** replied that he could be fair and impartial. He observed that it is important to work together to find solutions even when there is disagreement.

Senator Stennett inquired if Mr. Hammond was comfortable discussing a broader variety of energy sources and giving a voice to alternative energy experts. **Mr. Hammond** responded that the IPUC must stay within its statutory jurisdiction as rate regulators. He said the IPUC encourages the participation of all interested parties. **Mr. Hammond** commented that his job will be to hear and evaluate the facts presented to the IPUC to ensure safe and reliable utilities.

Senator Burgoyne asked the history of Mr. Hammond's political affiliation. **Mr. Hammond** answered that he has always been affiliated with the Democratic party.

Chairwoman Lodge announced that the Committee would vote on Mr. Hammond's appointment at its next meeting.

- RS 29311** **RELATING TO ALCOHOLIC BEVERAGES** to provide for the donation of liquor for benevolent, charitable, or public purposes.
- Kate Haas**, Kestrel West, representing the Distilled Spirit Council of the United States, introduced herself to the Committee. **Ms. Haas** explained the RS would permit a distillery to donate its alcohol for a charitable event, in the same manner that a winery or brewery is allowed to donate its product. **Ms. Haas** said she collaborated with the Idaho State Liquor Division and Alcohol Beverage Control to ensure continued proper regulation of liquor.
- MOTION:** **Senator Stennett** moved to send **RS 29311** to print. **Senator Guthrie** seconded the motion. The motion carried by **voice vote**.
- RS 29148C1** **RELATING TO THE SECRETARY OF STATE** to revise provisions for payment methods accepted for candidate filing fees.
- Jason Hancock**, Deputy Secretary of State, Idaho Secretary of State's Office (SOS), introduced himself to the Committee. **Mr. Hancock** advised that the RS incorporates changes suggested by the Committee at a previous hearing. He advised that he updated the fiscal note to show the anticipated number of candidates and revenue from filing fees. **Mr. Hancock** reported that he included language to allow the use of debit cards and require candidates to pay the card processing fees.
- DISCUSSION:** **Senator Stennett** asked about the use of the word "may" in the provision related to card processing fees. **Mr. Hancock** answered that the Legislature might in the future establish a State policy on card processing fees. The use of the word "may" would allow for that policy change without having to amend this section of Idaho Code, he said. **Mr. Hancock** affirmed that the SOS intends to require the candidates to pay the card processing fees.
- Senator Burgoyne** moved to send **RS 29148C1** to print. **Senator Lee** seconded the motion. The motion carried by **voice vote**.
- RS 29364** **RELATING TO ELECTIONS** to establish provisions regarding postelection audits.
- Mr. Hancock** described the audit process the SOS undertook after the 2020 election. He explained the RS would establish a similar system of random post-election audits to verify the accuracy and integrity of elections. **Mr. Hancock** reported the SOS would be required to issue a directive outlining the audit procedures and consult with the county clerks to develop the procedures.
- DISCUSSION:** **Senator Guthrie** asked how the process would work to correct an election if an audit showed an incorrect vote count after the vote canvass. **Mr. Hancock** answered that audits of state elections would occur between the county canvass and the Board of State Canvassers' final canvass of the election results. He added that the bill would allow the SOS to order additional post-election audits if a problem was identified.
- Senator Stennett** inquired if the audits would be done randomly on a regular basis around the state, or if they would be done based on complaints. **Mr. Hancock** replied that the audits would be done after each primary and general election based on a random draw of counties and precincts. He stated the SOS intends to select the races that appear to be the most meaningful in a randomly drawn precinct.

Senator Stennett asked about the number of audits to be conducted and the cost to conduct the audits. **Mr. Hancock** responded that the SOS would issue a directive at least 60 days prior to an election to outline the procedures. He noted that the SOS has already begun discussions with the county clerks about a random selection process based on the number of registered voters in a county to spread the audits across the state.

MOTION: **Senator Guthrie** moved to send **RS 29364** to print. **Senator Stennett** seconded the motion. The motion carried by **voice vote**.

MINUTES APPROVAL: **Senator Anthon** moved to approve the Minutes of January 24, 2022. **Senator Burgoyne** seconded the motion. The motion carried by **voice vote**.

Senator Harris moved to approve the Minutes of January 26, 2022. **Senator Stennett** seconded the motion. The motion carried by **voice vote**.

ADJOURNED: There being no further business at this time, **Chairwoman Lodge** adjourned the meeting at 8:45 a.m.

Senator Lodge
Chair

Twyla Melton
Secretary

Jeanne Jackson-Heim
Assistant Secretary